

THE Hongkong Weekly Press

AND
China Overland Trade Report.

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CONTENTS.

	PAGE
Epitome.....	149
Leading Articles:—	
The War Stores Scandal.....	151
The Chinese Imperial Family.....	151
American Consular Service.....	151
The "Singing" of the Chinese Kettle.....	151
The Nanchang Massacre.....	152
The Anglo-Japanese Alliance.....	152
Executive Councils of Hongkong & Singapore.....	153
Supreme Court.....	154
The Statue of Sir Thomas Jackson Unveiled.....	157
The City Hall.....	158
Property Sale.....	159
The Teaching of Hygiene in Schools.....	159
Hongkong Odd Volumes' Society.....	159
Hongkong Volunteer Reserve Association.....	159
Fatal Tram Accident.....	159
Hongkong Volunteer Troop.....	161
Exciting Scene in the Harbour.....	161
Canton.....	161
Macao.....	161
Shanghai's Budget.....	161
Royal Hongkong Golf Club.....	161
"Can't Hustle the East".....	161
A Shanghai Native Consulative Committee.....	161
Great Britain and Japan.....	161
Chinese Trouble Unexpected.....	162
New Statue at Shanghai.....	162
Floating Ice in the Gulf of Pechili.....	162
Singapore Harbour Scheme.....	165
Company Reports:—	
Hongkong Fire Insurance Co., Ltd.....	163
Hongkong and Kowloon Wharf and Godown Co., Ltd.....	163
Geo. Fenwick & Co., Ltd.....	164
Hongkong Rope Manufacturing Co., Ltd.....	164
The Hongkong Hotel Co., Ltd.....	164
Dividends.....	165
Company Meetings:—	
Hongkong and Shanghai Banking Corporation.....	165
Green Island Cement Co.....	166
Hongkong and Whampoa Dock Co., Ltd.....	166
Hongkong Hotel Co., Ltd.....	167
The Shanghai Land Investment Co., Ltd.....	168
Missionaries Murdered in Kiangsi.....	168
Hongkong.....	169
Japan.....	169
Miscellaneous.....	169
Commercial.....	170
Shipping.....	172

BIRTHS.

On February 18th, at Shanghai, the wife of H. VON RUCKER, of a daughter.

On February 19th, at Shanghai, the wife of W. BRUCE ROBERTSON, of a daughter.

On February 21st, at Shanghai, the wife of M. BERNHEIM, of a daughter.

DEATHS.

On February 16th, at Shanghai, MARIE, wife of W. J. H. WETT, I. M. Customs, Shanghai.

On February 18th, at Shanghai, HARRY JOHN EASTBROOK, assistant accountant, Shanghai-Nanking Railway, aged 26 years.

On February 28th, at the Government Civil Hospital, Hongkong, MARCIA DOLORES, the dearly beloved daughter of Mr. and Mrs. T. DE FARIA-NEVES.

Hongkong Weekly Press

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ARRIVAL OF MAILS.

The German Mail arrived, per the s.s. *Bayern*, on Sunday, the 4th instant; and the French Mail of February 3rd arrived, per the s.s. *Tonkin*, to-day.

FAR EASTERN NEWS.

It is reported that a German Consulate will shortly be established at Moji.

Archdeacon H. McC. E. Price, of Osaka, has been appointed to the new Bishopric of Mukien.

A 1500-ton steamer is being built at the Mitsui Bishi Dockyard, Nagasaki, for the T. K. K.

The Chinese Foreign Office has been much exercised by the presence of a British gunboat in the Poyang Lake.

The population of Saigon, according to the latest municipal statistics, is 48,783, of whom 2,774 are Europeans.

The recent conference of Methodists at Manila has admitted a Chinaman named Ben G. Pay as a preacher on trial.

The Korean people pay Y20,000,000 in taxes to their officials, but of this only Y8,000,000 reaches the Government, the rest being squeezed.

"A body blow struck now at gambling," is the picturesque way in which the *Cable News* refers to the new Act for the better government of Manila.

The new China Merchants' str. *Hsinkong* was successfully launched on Feb. 23rd and is moored in the river opposite Farnham, Boyd & Co.'s Pootung Works.

A special telegram received on the 1st March by the *N.-C. Daily News* reports the Empress Dowager to be seriously ill and states that her Majesty's death is not improbable.

An Indian contemporary understands that the Chinese Government are appointing Consuls of their own at Calcutta, Madras and Bombay. This is an entirely new departure.

Mr. James Benzeville, the winner of the 1906 cup, has presented a handsome trophy to be competed for in a billiard handicap at the Chinese Department of the Y. M. C. A. Hongkong.

Operations on the Annam-Yunnan railway have been commenced by France, but as China continues to make pretexts for interference, the French Minister has lodged a strong protest with the Foreign Office.

It was reported on March 2nd, that the Court officials demanded the Throne to dismiss the Eunuch, Li Liang-ying as a Russian servant. The Dowager Empress was enraged, but the report states that the Eunuch has left his post.

It is telegraphically reported in the *N.-C. Daily News* that China has decided to transform Tibet into a province, and to send a high official there as an envoy to control domestic and diplomatic affairs. He will be subsequently promoted Viceroy of Tibet Province.

There will doubtless be many sympathisers in Hongkong with the Japanese in Chemulpo who are agitating for a reduction of rents. The principal landlords are Germans and Chinese, whose tendency is to increase rather than decrease the rents, and in consequence the Japanese small traders are in a bad way.

The *Nanfengpao* stated that although the right to build a railway from Burma to Teng-yueh had been refused to the British Consul at Mengtze, he had sent engineers to survey the route, and ignored all protests in the matter. The Viceroy of Yun-Kwei had approached the Waiwupu, who had laid the matter before the British Minister.

The *Nanfengpao* states that the Japanese Minister, replying to the Waiwupu, says the timber being felled in Fengtien province is required for building barracks, and as soon as sufficient is procured for that purpose no more will be felled.

The Shanghai to Soochow section of the Hu-ning railway is expected to be opened to public traffic this summer. It has been decided to establish stations only at the Shanghai and Soochow railway termini, and likin paid at either station will pass the goods through to the other station without any other payment.

Sir Ernest Satow is reported in the Chinese papers to be demanding the abolition of a Bureau at Swatow established to receive royalties on merchandise. The Waiwupu, in refusing the demand, is stated to have replied that the Bureau simply collects money from Chinese merchants, and foreign merchants are not concerned in the matter.

It is reported that the Chinese and Russian Plenipotentiaries who are negotiating the present treaty have decided that the three Manchurian places near the Siberian border viz., Manchuli, Aihun and Hun-chun, shall be opened to trade, under the direction of Sir Robert Hart. These places, however, a Chinese journal says, are opened to Russian trade only, like Kiakhta, and do not concern the other nations.

The fifth annual meeting of the Association of Lancastrians in China was held at the Chamber of Commerce Room, Shanghai, on February 20th, Mr. Cecil Holliday in the chair. Mr. H. W. Pilcher was elected President, Mr. W. A. Bolton Hon. Sec., Mr. J. Tyack Hon. Treas., and a committee composed of Messrs. W. J. B. Carter, J. Kerfoot, P. Crighton, W. K. Stanion, C. Holliday, and C. W. Beswick. It was decided to hold the annual soirée as usual in the Masonic Hall.

A paper to be read before the Royal Asiatic Society on Feb. 22nd on "The Chinese Banking System in Shanghai" was, says the *N.-C. Daily News*, the first discussion of this topic to be presented at a public meeting in Shanghai. The paper was to discuss the different classes of banks, their local control, the responsibility of bankers, the method in determining the value of various taels. The Vice-President of the Society, Mr. H. B. Morse, was to take the chair.

A Peking telegram to the *N.-C. Daily News* says: "The Russian Minister has unearthed a secret agreement between China and a Belgian syndicate for a loan to the former from the latter for the cost of the railway projected by the military Governor of Ili, and has lodged a protest against the unfairness of admitting any other foreign capital for a railway so closely connected with Russia. The Waiwupu has thereupon been obliged to order the cancellation of the agreement."

At the Chinese Y.M.C.A. Hongkong on Mar. 1 before a large number of members, Dr. Wan Tun-mo delivered an interesting lecture on "The duty of the Chinese people in the present day." The speaker contended that they should cultivate science and art rather than the art of war. Many of his countrymen disliked the foreigner and would be pleased to oust him, but it was to their interests that he should remain, as many of the conveniences and comforts they now enjoyed were introduced by him.

THE WAR STORES SCANDAL.

(Daily Press, 24th February.)

It is somewhat surprising to read that one of the results of the enquiry into the military stores scandals in South Africa is that the system adopted by the Japanese will be in all probability followed in future by the British Army. What that exact system is is not stated; but it may be presumed to be something not beyond the powers of average business talent, if backed with average faithfulness in the discharge of duty. That a proper system of check could be devised, as to the issue of military stores, even without the assistance of Japanese methods will hardly be considered beyond the powers of English business men, if they really intend that the best shall be done to safeguard the interests of the Government in the matter. What really is required is that a higher standard of honour, or, to speak more plainly, of honesty, should be enforced in matters of the kind. The weak point of the whole thing, as displayed by the evidence which has been elicited by the Commission, is really in a nutshell. It is nothing more nor less than general acceptance of the idea that it is not disgraceful to do towards a Government what anyone with the smallest sense of right would refrain from doing in dealing with an ordinary individual. In almost every instance that has been brought forward; there has been evidence of collusion between persons who were in duty bound to act as checks on each other. In some instances this has been of the most flagrant character, and it is simply astounding how the various persons who have combined to defraud the authorities could have brought themselves to make the proposals necessary to attain the ends in view. How, for instance, any man could have the effrontery to ask the official in charge of a supply of sugar to condemn as much as possible, with the view of selling back a part of the rejected article, must be a mystery to those who have not had some experience of the effects which this "gin the government" doctrine has upon people at once weak and avaricious. In an ordinary way a man who made such a suggestion to another would know that he did it at the risk of very possibly being kicked for his pains, or at least of receiving a moral rebuff scarcely less pleasant. The evidence before the commission, however, shows that proposals of this description were made in numerous directions and were in a number of cases accepted and acted upon. We are in the habit (and very justly so) of deprecating the ingenious ways of squeezing resorted to by the Chinese, but really after the revelations of the War Store scandals, it is difficult to see that we have just grounds for so much indignation against our ingenious Eastern friends as compared with Western nations. The consideration is certainly humiliating, but it can hardly be said that the facts which have been made public do not warrant it. Indeed in one respect the Chinese squeezing is perhaps more respectable. At least the latter is generally done by direct bribery, and rarely by means of elaborate combination and collusion as it is clear has been the case in many of the transactions which have been brought to light by the Commission. It is indeed this element of collusion that is the most discouraging in the revelations that have been made; as it displays in a most striking manner the low level to which any sense of honesty has sunk in respect to such matters. There is, of course, nothing *per se* more dishonest in combining with another to defraud a third party, than

in defrauding him oneself; but as an indication of general tone, such combinations are of salient significance. They show a full belief, justified unfortunately by the event, that nefarious proposals of the kind would be favourably received, or, in other words, they show that the estimate of official honesty among men whose position best enabled them to form such an estimate, was of the lowest character, but still not lower than the facts warranted.

If any improvement is to be effected, it is at this point that something ought to be done. It is, of course, impossible, or, at all events, extremely difficult, to make people ordinarily honest by any rules, regulations or even Acts of Parliament. It may be doubted whether any system of checks or any enactments as to punishment can make people less disposed to unlawful collusion, if their self-respect will not keep them from it, but stringent rules fearlessly enforced would at least have the effect of making the more timid hesitate; and would to this extent reduce the evil. A large number of people regard an act which the law recognises as an offence in a different light to acts which are not made crimes or offences; and if it were known that any arrangement by which a person dealing with public stores on behalf of the Government obtained a pecuniary benefit in connection therewith would be a punishable offence, something at least would be done to check this gigantic evil in its initial stages. The Commission will doubtless do some good in bringing some of the more flagrant offenders to justice, but, on the other hand, the Commission itself is a standing proof of the enormous trouble and expense that must be incurred in doing so. A large number of minor offenders will, of course, escape, and after all it will appear that at worst there is a fair chance of doing so; a lesson which will no doubt be duly taken to heart by very many. It is to be hoped, therefore, that the matter will not be allowed to end in the prosecution of a few of the worst offenders and then be shelved. It should be followed up by a full investigation of the whole subject; and the enactment of such laws and regulations as may seem necessary to render transactions of the kind, if not impossible, at least so hazardous that they will not be readily entered into in the future.

THE CHINESE IMPERIAL FAMILY.

(Daily Press, 26th February.)

The appointment of an imperial prince as successor to the present EMPEROR is apparently again coming on the tapis at Peking, and looking at the affair from an outside point of view it is full time in the interest of China, as well as of the Imperial family, that the present state of uncertainty should be put an end to. Although the principle of primogeniture is at the foundation of the succession laws of China, there are in effect so many exceptions to its rigid adoption that it has practically become of little account. The rule during the present dynasty has been that up to the present one of the sons of the EMPEROR actually on the throne has succeeded; but as to which, there has been left a wide margin of choice. YUNG CHENG, for instance, was the eleventh son of K'ANG HI and KIA K'ING was the fifteenth son of his father, the Emperor K'ien Lung. The Emperor HIEN FUNG ascended the throne on March 9th, 1850; he was the fourth son of his predecessor, but the three elder sons had died before their father without leaving issue, so that HIEN FUNG was really the heir by right of primogeniture. The

imperial family of the T'ing had by the time of TAO KWANG lost almost all the virility of their great ancestors, and HIEN FUNG, although on his accession only nineteen, had already by debauchery ruined his constitution. In 1850, when the allied French and English were knocking at the gates of Peking this wretched sovereign, instead of buckling on his arms to save his capital, fled ignominiously to his neglected palace at Jeho, where the following year on August 22nd he died, despised by everyone, and most of all by those about him. He left one son, little more than an infant, the child of a concubine presented to him by a former Manchu governor in Canton, and this son succeeded under the style of TUNG CHI; a regency being established composed of a younger brother of the deceased Emperor, I HIEN, Prince KUNG, who had been born in 1833 and had taken an active part in the negotiations with the English and French; and conjoined with him, the actual EMPRESS DOWAGER, and T'SE HI, mother of the new EMPEROR.

In 1873, the young EMPEROR having attained the age of 17, and being, apparently of an independent spirit, he determined to take the reins of government into his own hands. Prince KUNG and the EMPRESS DOWAGER seem to have coincided in this act; not so the more ambitious Empress mother T'SE HI, who chafed at the reins being taken out of her hands, and sought to thwart her son at every step. Disgusted at the restrictions attempted to be placed on his private movements, the young EMPEROR acquired the habit of leaving his Palace secretly, and going in disguise amongst his people; and this led to a growing hostility between the youth and his exacting mother, which all the inner secrecy of the Imperial Palace could not succeed in hiding from the outside world. According to official accounts in one of these excursions the young EMPEROR contracted a bad attack of smallpox from which he never recovered, and died on January 12th, 1875. There are many well informed people, both in Peking and elsewhere, who have always held that his death was hastened, if not altogether caused artificially. The EMPEROR's private name was according to imperial custom TSAI TIEN, the former of the two names being common to all the Imperial Princes of the same generation. TUNG CHI's successor to satisfy the names of the departed should have been a PU, that being the name selected for the succeeding generation. Seemingly to carry her spite beyond the grave, the IMPERIAL MOTHER, who by force of character had already begun to assume a commanding rôle in the Regency, passing over the families of the fifth and sixth sons of HIEN FUNG, selected a young grandson of the seventh, Prince CHUN, also a TSAI; he was of tender years, not yet four, and the EMPRESS MOTHER calculated that under the cloak of another long regency she would remain virtual mistress of the Empire for the term of her natural life. The selection of a TSAI as the new Emperor prevented the proper sacrifices, which only a member of a junior generation can offer efficiently, being made to the names of TUNG CHI, who thus was made to enter the world of spirits dishonoured, and practically, notwithstanding that he was actually the son of HIEN FUNG, an intruder.

So glaring an insult to the memory of both her husband and son did not pass without remonstrance, and as in such circumstances one wrong usually begets another, the DOWAGER, as she now styled herself, felt herself compelled to take a further step. Rumour affirmed that TUNG

CHI's consort was pregnant, and in order to secure the throne to her nominee it was necessary to get rid of her. The stories of her death vary, but it is generally allowed that driven to despair by the harsh treatment she received, the young DOWAGER starved herself to death. In any case she followed her unfortunate husband to the grave on March 27th succeeding. On April 9th, 1881, the DOWAGER EMPRESS died, but the superior agility of the EMPRESS MOTHER had long reduced her influence to insignificance; the commanding personality of the same lady had also been in the long run effectual in restraining Prince KUNG, the third of the members of the regency, so that in the spring of 1884 she found herself strong enough to actually dismiss him; and from that time the EMPRESS MOTHER, now the DOWAGER EMPRESS, assumed the complete control of the Government. She had early taken steps to debase in body and mind the youthful EMPEROR by surrounding him with eunuchs and women, evidently fearing that as he came to years of discretion he might be disposed, like his cousin and predecessor, to assert his prerogative. He did in effect on attaining manhood nominally undertake the government, but for many years the EMPRESS DOWAGER was able to keep him in leading strings. Towards the latter end of 1897 his insubordination became more marked; he assembled round him a number of would-be reformers, and towards the autumn of 1898 had actually the hardihood to issue on his own account a number of ordinances ordering various reforms. Encouraged by his temporary success in September he had the courage to kick LI HUNG-CHANG out of Court, and even contemplated confining the redoubtable EMPRESS REGENT to her own Palace. But he had reckoned without his host; LI at once went and laid the case before the EMPRESS REGENT, and YUEN SHI-KAI, to whom the EMPEROR had disclosed his plot, went off and betrayed his master. The tables were turned with a vengeance; the indignant lady confined the EMPEROR himself, and for some weeks his life was in danger, while all his schemes for reform were blighted. So far did she proceed that she even named his successor in the person of the young grandson of Prince TUN, the latter the fifth son of the Emperor TAO KWANG. The youngster's name was PU TSUN, and he was thus, foiling the life of KWAN SU, undoubtedly the direct successor of TAO KWANG. Then, of course, followed the affair of 1900 and the flight of the EMPRESS DOWAGER and her protégé to Shensi. The PRINCE, however, turned out a young scoundrel and totally unfit, and this conjoined with the demands of the foreign Powers ended in his official degradation. The Emperor KWANG-SU, however well meaning, was unfortunately weak both in body and mind, and lately it has been becoming more evident that his life is not to be depended on. Lately, too, there is no doubt that a strong anti-dynastic party is rising which has branches all through the Empire. For a long time the self-willed DOWAGER has been unwilling to sign what, rightly or wrongly, she interpreted as the warrant for her own resignation, and hence has arisen her hesitation in taking the final step. Born, however, in 1835, and so past her seventieth year, and worn out more or less with the enormous task of keeping the unwieldy Empire together, she begins to feel her energy evaporating, and is now disposed to contemplate a retirement from active life. Naturally there are several claimants to the high position. According

to the strict laws of primogeniture, as understood in Europe, Prince TUN, who has been to Europe, and who has made a favourable impression on those with whom he has come in contact, would be the natural successor, but the PRINCE is unfortunately a TSAI, and so could not offer the sacrifices to his two predecessors. The EMPEROR's younger brother is, however, married and has a young son, and is thus eligible; he is unfortunately almost an infant, and under existing circumstances it seems doubtful if China could afford another long minority. The alternative is a grandson of KING WANG, but KING WANG derives his descent from K'EN LUNG, and even in Chinese eyes this title seems too remote. At all events the situation is not promising in view of the very unmistakable anti-dynastic feeling abroad. In any case it has become almost a matter of necessity that the step so long deferred should be taken quickly, in view of very probable complications amongst the various claimants should it be longer delayed.

AMERICAN CONSULAR SERVICE.

(Daily Press, 27th February.)

It appears that we are shortly to see much desired and long necessary improvements in the American Consular Service. Latest advices state that the first reform Bill introduced by Senator LODGE is likely, with certain accepted amendments, to become the law of the United States. There is to be a system of grading appointees, but instead of allowing the consular officials to work from grade to grade by promotion, the Congress reserves the right to the PRESIDENT to appoint any officer in the Government Service to any grade, irrespective of experience. This is the blemish in the programme that is to make it possible in the new regime for favouritism and complaints; as well as to permit the appointment of incompetent men, as is admittedly the case now. However ably and faithfully an official of subordinate rank may work for promotion, he will often experience the mortification of being passed over for some politician. Still, the much amended Bill is regarded as a distinct advance toward the reform so loudly clamoured for. Summarising the points from a telegram, our Shanghai contemporary remarks that provision is made for five Inspectors of Consulates to rank as Consuls-General. The value of this provision of experienced Inspectors is obvious. We can recall a clerical gentleman being sent out here as Inspector of Consulates, because he was the incumbent of a church in Washington, and a personal friend of the then President, and wanted a trip round the world. His visit to Shanghai was made very pleasant for him, but his report to his Government was simply worthless. All Consular fees are abolished, and all officials are placed on salary. Consuls who are also lawyers will be forbidden to receive fees for legal work they may do. The grade of Commercial Agent is abolished. No person not an American citizen will be employed as Consular clerk where the salary amounts to \$1,000 gold. Power is given to the President to transfer Consuls-General and Consuls within the same grade. There are to be several grades of Consul-General, with salaries ranging from \$12,000 to \$3,000 (all these salaries are, of course, in gold). London and Paris are alone in the first grade with \$12,000, and Berlin, Hongkong, Havana, Hamburg, Rio de Janeiro, and Shanghai are in the second grade, with \$8,000. Seoul and Tientsin are in the

fourth grade with \$5,500; Chefoo, Hankow, Mukden and Newchwang in the fifth grade with \$4,500. Liverpool stands alone in the first grade of Consuls, with \$8,000; Manchester alone in the second grade with \$6,000; Amoy and Foochow in the fourth grade with \$5,000. There are two other grades of Consul-General, with salaries ranging from \$3,500 to \$3,000, and six other grades of Consul, with salaries ranging from \$4,000 to \$2,000. The doings of a few black sheep in the American Consular service have, not quite fairly perhaps, made the whole thing a byword, in the Far East, at any rate; and all because these men, always underpaid, were placed in situations exposed to constant temptation. With proper remuneration and no fees or other unchecked business undertakings, and with a reasonable hope of fixed tenure and promotion, there would soon be an end of the nods and winks so often visible in discussions of the service. It appears, however, that the American authorities do not like a man to take a position for life.

THE "SINGING" OF THE CHINESE KETTLE.

(Daily Press, 28th February.)

It is idle to deny that a state of tension which at any moment may become dangerous, and even break out into open violence, is wide-spread in China. It has, it is true, come upon us suddenly, but the causes have been long at work, and may be said to permeate the Empire, and not the Empire only, but to extend to the numerous colonies of Chinese abroad, especially in the United States. The first and most deep-seated cause is the knowledge that has dawned on the masses of China that, however great and respected in the distant past, when the nations of the world, as she knew them then, from Parthia to Japan and the East Indian islands, hastened to secure her goodwill, and did not hesitate to pay homage at her Court, China in these modern days has been idly standing by; while her neighbours both in Europe and America have been steadily advancing both in knowledge and power; and now in turn expect the homage which China in her own days of greatness as rigorously demanded herself from the nations who sought her friendship. Now all this is changed and those nations, even, that are not plotting openly her partition are doing what to an over-sensitive mind is almost as galling, and extending a sympathy which the masses, too inexperienced to appreciate its meaning, have taken to resenting as almost an insult. There is likewise a second reason, almost as difficult for the native mind to appreciate. In the old days the Chinaman who left his country to better his condition was looked upon as little removed from a renegade; by the very act he had forfeited every claim to be looked upon as a son of Han, and his government for long refused to recognise his existence even, much less to acknowledge his wrongs as in any way its concern. It was England that first by attempting to legislate for the better treatment of these waifs and strays drew the attention of the Chinese Government to the effects of its neglect. The usefulness of the Chinese immigrant soon came to be recognised in those countries wherein he had made his new home, and he was encouraged under specious promises, too often broken on his landing, to come; till at last, especially in the South American States he came to be placed on the level of the Negro slave, and was meted out even worse treatment.

In the Western States of America he was at first received with open arms, which he repaid by being the main factor in the building up of the State of California at that time only communicating with the main body of the States by dangerous tracks across the Rocky Mountains or by a long and difficult voyage round Cape Horn. With the making of the Panama Railway, and still more effectively by the building of the first trans-continental line, the great West was first put in effective communication with the Eastern States, and the Chinaman cut off from his own country was made to feel the incidence of the new proletariat who now assumed the lead in the government. Then commenced the era of anti-Chinese legislation, to which the Chinaman could only oppose his own stubborn and individual resistance. Still he managed on the whole to thrive, and bred up with that peculiar clannishness which is at once the weakness and the strong point of the race, and looking eventually to making his last home in his native land, he remitted home the greater part of his hardly-earned savings. This drew down upon him in a still stronger degree the hatred of the proletariat, but at the same time it increased his influence at home.

Resenting keenly the neglect of his Government, which in his eyes had by its indifference aggravated his hardships, the emigrant Chinaman became bitterly anti-dynastic, and through his wealth and growing influence at home has been able to make that influence felt. Perhaps not altogether unnaturally with this disaffection toward his Government has been conjoined a resentment against the Western foreigner, against whom too often he has had very well founded causes of complaint. The expiry of the term of the anti-Chinese legislation, to which his Government had lent its sanction, partly because it had no power of resistance, but partly, there is no doubt, through the influence of the ill-omened Burlingame treaties, whose effects have been so disastrous to the best interests of China, has been marked throughout China by a general revulsion of feeling. Willingly the Government of the United States would have removed or ameliorated the worst of the difficulties under which the Chinese immigrant laboured; but it was not strong enough to condemn the powerful proletariat, which under the constitution of the States keeps effectively in its hands the entire legislation of the country. But besides this increasingly powerful faction even in China itself, there is another even more influential party, that of the reformers, which cannot be lightly disregarded. Vexed at the low estate into which misgovernment has permitted the country to fall, it contrived to convert to its own ideas even the EMPEROR on the Throne; but, although that attempt was rudely suppressed at the time, the example of Japan, who has by heroic efforts contrived to free herself from the leading strings of the West, has not been lost, and the new party of Reform has become an overwhelming force, which for good or evil has to be reckoned with. That the more level-headed and able-minded leaders are firmly opposed to any exercise of force, and desire above all things that the nation may be left to work out its own salvation, it is no less a fact than that a considerable section are desirous of throwing down the gauntlet to the world at large, and it is in this section, largely composed of the "Young China" party, that the power for mischief resides. It is true that this section has not the confidence of the nation at large, but it is largely represented amongst the governing classes,

and some recent appointments, as that of the reactionary Taotai YUEN to high office in the capital, would seem to indicate that it still has considerable influence in Peking itself. Now the recent action of the United States Government in reinforcing its military garrison in the Philippines may not be altogether prompted by any fear of complications in China, and seems rather to be at bottom influenced by uneasiness in the new colony. The Government at Washington, new to the task of gaining the confidence of an Eastern population, undoubtedly finds itself at Manila in a difficult position, which Congress, wedded to the old school of home politics, refuses to face, and declines to come to its assistance on the direct issue. But making every allowance for this, there is no doubt that the statesmen at Washington are not altogether satisfied with the position in the East generally. With true British nonchalance we are probably making too light of the present influence at work; such was notoriously the case in India prior to the great Mutiny, such was our position in South Africa prior to the outbreak of the recent war, and such, it may be added, was our conduct before the affair of 1900 in Peking. Those on the spot to whom the new movement comes home every day of their lives do not look without apprehension on the present complications. Well led and well conducted the present movements may have the useful effect of restoring to international dignity the Government of China, but in present hands it is far more likely to lead to her extinction amongst the nations. Our telegrams from Shanghai prepare us for some such denouement.

THE NANCHANG MASSACRE.

(Daily Press, 1st March.)

Inadvertently, a footnote we had prepared for our earliest telegram of February 26th, announcing the massacre at Nanchangfu, in Kiangsi, was mislaid and omitted. We had intended to point out that while publishing that telegram, we could not countenance the careless suggestion in the words, "the magistrate either committed suicide or was attacked and killed by the French priests." It is always difficult to get straight-forward evidence from the interior, and when it comes *via* Shanghai, it must be expected to become further entangled. In this case, we suspect similar wickedness to that which inspired the scandalous story in connection with the Lienchow massacre. A statement that French priests did kill this Chinese magistrate would not have appeared so transparently malicious; it might be hearsay, it might be a mistake, it might even be true. But after careful contemplation of the moral aspect of this incident, we have no doubt which is the more vicious and wicked, a French priest guilty of a Chinaman's death, or the man (presumably also a teacher of men) who first penned those words, "either committed suicide or was attacked and killed by the French priests." The very insolence of that, we think, betrays its origin. It is not certain, according to our message, that the Chinese magistrate was murdered at all; but if he was, the murder must have been committed by the French priests. That is what it says, and obviously, that would be the remark of some person who did not love the French priests. Another account says "a Roman Catholic" stabbed the magistrate. This we would read as indicating a native, which is much more likely to have been the case, from all that we have

been hearing of the modern temper of the native populace. If the proof of the religious origin of the massacre depends upon this, our idea that religion had nothing at all to do with it is likely to remain unassailed. We may mention, mainly to show our absolute impartiality, in the premises, that the difference between a Chinese Roman Catholic and a Chinese Protestant is something less than the difference between Tweedledum and Tweedledee. This expression of opinion should avert from us the suspicion (which would be unwelcome) that we hold a brief for the French or any other priests. It is the instinct of justice and fairplay which prompts our protest against these contemptible and frequently recurrent allegations against a body of men whose doctrines, more than their conduct, are unpalatable. It is unnecessary to invent religious differences to account for the outbreak, in view of the present condition of China. The position has been explained over and over again; how the proletariat still dislikes the foreigner, and is drawing a false moral from Japanese success; how the young students, whom a little foreign learning seems to make mad, have been inflaming their illiterate countrymen with iconoclastic patriotism. In addition, there is especial significance in the report that for some time previous there had been "much indignation" everywhere along the line from Kwangsi (through Kiangsi) to Peking because of the presence of three thousand French soldiers at Lungchou.

THE ANGLO-JAPANESE ALLIANCE.

(Daily Press, 2nd March.)

The intervention of more immediately stirring questions seems to have prevented any very full discussion in the home papers of the renewed treaty between Great Britain and Japan. At the time of its public announcement, a general approval of the measure was expressed, but very little critical comment was forthcoming, and there was a general tendency to take very much for granted that the measure was one which in all likelihood proved advantageous, and that the decision of the responsible authorities at the Foreign Office might be accepted as correct without going very minutely into the *pros* and *cons* of the subject. It is not surprising that this ready acceptance of a measure of far reaching importance should have appeared to some reflecting persons open to question; and one writer in an article which appeared in the *Contemporary* over the signature of "PRO PATRIA" raised a warning voice against what appeared to him to be a too ready acquiescence in a step which might be fraught with very serious consequences.

The writer in question sees in the Treaty with Japan a distinct evidence of the decadence of Great Britain. We have heard so much of the decadence of the Empire that few people are inclined to attach very much importance to this cry. At the same time it must be admitted that some plausible reasons are set forth, and amongst them is the idea that this decadence has undoubtedly been reached when Great Britain has to admit that she looks to the assistance of another nation in the event of certain contingencies arising. This however, does not imply that she is absolutely dependent upon such aid, and the writer also ignores the circumstances which have quite naturally led up to such a junction of interests between Japan and Great Britain as plainly suggested common action if necessary for their maintenance.

A combination of this kind is indeed the logical outcome of the policy pursued by Russia, and more or less backed up by some other Powers, for years past, and which culminated in the recent war with Japan. No one can doubt that the design of Russia was to cripple British influence and power in Asia generally, beginning with obtaining a strong position in the Far East by putting down Japanese opposition and then concentrating her energies in the direction of India. Had Russia succeeded in humiliating Japan, she would have gained the first step towards this end. She would have been able to force Japan to acquiesce in her aggressive measures in the direction of China, and by this means would have inflicted a lasting blow on British influence in these parts. This would, of course, be her opportunity of interference in India. The interests of Japan and England were thus made one by the openly avowed policy of a common opponent, and that these two nations should combine to protect their interests by a treaty for mutual support was the natural outcome of this state of affairs. It might be said that the result of the recent war put an end to this position, and that a renewal of the Treaty was therefore unnecessary, or that at least it was not desirable that the treaty should be extended to one for general mutual protection, and providing for the co-operation of Japan, if necessary, should India be threatened. But those acquainted with the persistency of Russian policy could hardly take so sanguine a view. Deplorable as the condition of Russia is at the present moment, the time may not be far distant when existing difficulties will be overcome; when there is the possibility of the old tactics being again resorted to. If the course which originally brought about the treaty between England and Japan were absolutely at an end, the agreement which has now been made might be considered as superfluous, and as one involving needless responsibility; but that time has not arrived. Certainly there was no sign of it when the treaty was renewed and when the internal affairs of Russia were by no means so critical as they have subsequently appeared. An alliance for mutual protection was therefore the only safe course to adopt; and it is absurd to argue that such an agreement should be entirely one-sided—that is, that England should be bound to assist Japan should the latter be threatened, and no corresponding obligation be upon Japan to assist us, should danger appear in our direction—that is, the direction of India. As to this being a sign of decadence, the same might be said with regard to any alliance or defensive treaty between any Powers whatever, with regard, for example, to the understandings between Germany or France with Russia. No one would argue that these understandings were a sign of decadence on the part of either of these two nations. Why, therefore, should a similar understanding between England and Japan be so regarded? The writer of the article in the *Contemporary* gives his reasons for so doing very frankly. He says it is doubtful "whether England will profit commercially by the alliance;" and that "the trade plums will really fall to Japan and America," and he goes on to say: "But we are to get our *quid pro quo*, for Japan is to help us to fight our battles for India. That arrangement is a pitiable object lesson for our 300 millions of Indian fellow subjects, not to speak of the rest of humanity. There are in that part of the British Empire many millions of faithful warrior races, Pathans, Sikhs and Goorkas. These, surely, if properly handled, could

repel any disturber or invader of India." This may or may not be true. But the whole policy of Russia as shown by what she did before the war would be to advance in both directions at the same time—to get up trouble in the Far East and make use of the occasion for pushing towards India—and against such a policy it is surely wise to be strengthened at all points.

In his concluding summary, the writer says:—

There are among my countrymen men of position, of world-wide experience, who view with distrust and real alarm this extended engagement entered into between England and Japan. It marks, they think, the timorous path of the decadence of the Empire. What could have been more foolish than to have formed an alliance with so remote a nation, one still further separated from us by race, traditions, customs, morals and social conditions? When the glamour from the Japanese successes in the late war fades, we may find that our position is a case for prayer rather than for hope, that all may go well with this our wondrous alliance.

It is not very difficult to see at what point the above writer feels most strongly with regard to the alliance. It is mainly that Japan is a remote country and an Asiatic nation. That she is remote is precisely the reason for an alliance with her. Her remoteness from Europe is caused by her being close to the very sphere of danger; and it is just because she is remote from Europe and near the scene of danger that she must always be of first importance in regard to any Far Eastern question that may arise. As to her being separated by "race traditions, customs and morals," she is certainly not more separated in this way than Russia is; but the real point is that she is united to us in her political interests, and will be ready to co-operate with us if the common rights of the two countries be materially threatened. If we were without sufficient facts to guide us, such objections as are raised might appear of some weight; but we have ample proof that Japan can be relied upon to adhere to her part of the engagement, from the manner in which she has acted in the past; and even if we had not this assurance, there is the manifest fact that Japan is almost as much concerned as ourselves in anything which might tend seriously to detract from our position in India, as this would at once materially affect our influence in the Far East and in Asia generally. The alliance is thus not a declaration on the part of Britain of a fear lest she would not be able to hold her own with respect to India without allies—though even if it were it need not indicate the decadence of the Empire—but only a reasonable precautionary measure to avoid the recurrence of the disturbing state of affairs, which has at least for the time being been put an end to by the results of the Russo-Japanese war.

EXECUTIVE COUNCILS OF HONGKONG AND SINGAPORE.

(Daily Press, 3rd March.)

Our news columns yesterday contained a reference to an interesting plea made by the *Singapore Free Press* for the strengthening of the Executive Council in the Straits Settlements, by the addition of unofficial members, as is the case at Hongkong. Our contemporary quoted Hongkong as a precedent in support of its plea, but without wishing to argue against a proposal we would willingly support, we may yet point out that the reasons which in Hongkong led to the appointment of unofficial members on the Executive Council are lacking at Singapore. Singapore's case for the proposed change is that problems with reference to questions of trade, of finance, of

shipping, of the status of Singapore as a seaport, of the effect of foreign competition not stopping at Singapore and scores of other problems, all difficult yet all vital to the prosperity of the Colony are obtruding themselves with greater complexity and urgency. While the officials on the Executive Council are regarded as "quite capable of dealing with all matters within the safe fence of administration," it is felt that "owing to changed and changing conditions, the functions of administration are relatively shrinking in importance," and that what is needed is a government technically equipped and instantly alert to deal with the fiscal and commercial position of the Colony.

Some such considerations as these probably gave birth to the suggestion in Hongkong, but they were not the considerations which induced the Home Government to consent to having unofficial members in the Executive Council. Twelve years ago a petition was addressed to the House of Commons, praying for an amendment of the constitution of Hongkong. Briefly the petitioners asked for the free election of unofficial members of the Legislative Council, a working majority of unofficial members of Council; complete control over local expenditure; the management of local affairs; and a consultative voice in questions of an Imperial character. At the request of the GOVERNOR the Hon. Mr. J. J. KESWICK and the Hon. Mr. E. R. BELLIOS gave their opinions in writing on the questions raised in the petition, and these communications were forwarded to the Foreign Office. Mr. KESWICK, while considering that for all practical purposes the unofficial representation on the Legislative Council to be sufficient broached the suggestion of an unofficial member in the Executive Council in these terms:—"I think that it would be of considerable assistance to the government to have one unofficial member of Council of English birth in the Executive Council. Many questions continually arise in which knowledge and experience outside the circle of government might be of considerable value and add to the Executive strength." The GOVERNOR, however, did not give his support to the idea. His EXCELLENCY informed the COLONIAL SECRETARY that practically unofficial assistance in the Executive Council could always be obtained if the *status quo* were maintained, and he added that he invariably consulted the unofficial members before bringing into Council measures of purely local interest. The COLONIAL SECRETARY (LORD RIPON) thereupon concluded that there was, therefore, not likely to be much practical gain from the formal appointment of an unofficial member to the Executive Council, but the Right Honourable gentleman suggested that instead of making any such appointment, some understanding might be come to that in the case of discussion of specified local subjects, at any rate so long as there was no municipality in existence in Hongkong, one or more unofficial members should be summoned to take part in the proceedings of the Executive Council, without giving them seats on the Council for all purposes. The correspondence on the subject from the Colonial Office was continued by Mr. CHAMBERLAIN, who came to the conclusion that the most practical course was to recognise that the Colonial Government of Hongkong is discharging Municipal duties "and that on that account representatives of the citizens may fairly be given a place on the Executive." He, therefore, proposed that the Executive Council should in future include two unofficial members to be

selected at the discretion of the GOVERNOR. The proposal was in due course accepted and the Executive Council has ever since included two unofficial members.

That then is the history of the change so far as Hongkong is concerned. Singapore is in a somewhat different position. It has what has repeatedly been denied to Hongkong—a Municipal Council—and we do not know under the circumstances whether in the eyes of the Colonial Office Singapore possesses equal claims with Hongkong to the concession which the *Free Press* advocates. We do not know what objection the Singapore Government may offer to the suggestion, but it is obvious that an unofficial member or two on the Executive Council would add materially to its strength and inspire greater confidence on the part of the community whose interests equally with those of the Government are bound up in the wise direction of the affairs of the Colony.

SUPREME COURT.

Monday, February 26th.

IN ORIGINAL JURISDICTION.

BEFORE SIR FRANCIS PIGGOTT (CHIEF JUSTICE).

THE PEAK TRAMWAY LITIGATION.

The case of D. E. Brown and others against the Hongkong High Level Tramway Co., Ltd., and Messrs J. D. Humphreys and Son came on for hearing. Mr. H. E. Pollock, K.C., instructed by Mr. George Hastings (of Mr. J. Hastings' office), for plaintiff and Mr. C. D. Wilkinson for other dissentients, appeared for the plaintiffs, and Mr. E. H. Sharp, K.C., and Mr. M. W. Slade, instructed by Mr. J. S. Harston (of Messrs. Ewens, Harston and Harding), for the defendants.

The claim was for (1) a declaration that the resolutions which were or which purported to be passed and confirmed at the meetings of the shareholders of the defendant Company, held on the 3rd day of June, 1905, and the 20th June, 1905, respectively were and are *ultra vires* and void.

(2) An injunction to restrain the defendants from carrying the said resolution into effect, or, in the alternative,

(3) A declaration that the plaintiff and all the other shareholders in the defendant company who have expressed their dissent in writing from the said resolutions were not and are not bound to accept the sum of \$200 per share which is mentioned in the said resolution, for their interests in the defendant Company, but were and are entitled to require the defendants, Messrs. J. D. Humphreys and Son, as the liquidators, either to abstain from carrying the said resolutions into effect or to purchase their interests at a price to be determined in the manner prescribed by sections 201 and 202 of the Companies' Ordinance, 1865.

(4) Costs.

The statement for the defence showed that the defendants admitted the first eight paragraphs of the statement of claim, and asserted that the special resolutions therein referred to were valid and effectual. They admitted paragraph 9, but denied that the tramway and undertaking of the defendant company had been sold, and that the obtaining of the approval of the Governor in Council was not a precedent to entering into an agreement for the sale of the said undertaking. Regarding paragraph 10 of the statement of claim, the defendants denied that the second defendant at any time agreed on behalf of the defendant company to purchase any right, benefit or advantage possessed by Alexander Findlay Smith or to pay therefor out of the funds of the defendant company the sum of \$25,000 or any sum to Alexander Findlay Smith, or the sum of \$10,000, or any sum to the China Commercial Company, Limited. The agreement referred to assigned the rights to the China Commercial Company. They assented to the registration of the Peak Tramway Company

but denied that they assigned or purported to assign the property of the defendant company to the Peak Tramway Company, Limited. The defendant agreed to assign the business of the defendant company at a future date subject to the conditions of the agreement, but those conditions were unfulfilled and the assignment was not made. Furthermore the defendants denied that the plaintiffs had any rights under sections 201 and 202 as alleged.

Mr. Pollock, in opening, stated that he brought that matter before the Court in November last, and now it came on for argument. He then proceeded to read the pleadings which set out that the plaintiffs, Messrs. D. E. Brown, Allan Cameron and others, were shareholders in the defendant Company, the second defendant being the managers thereof. A circular was issued by the defendants last year (May) giving notice that an extraordinary meeting of shareholders would be held to sanction the dissolution and reconstruction of the company and to enable the company to acquire and construct a new tramway to the Peak. On May 22nd a second circular was issued in which it was stated that resolutions to the following effect would be proposed at the meeting: That the company be dissolved; that the general managers be appointed liquidators; that the liquidators be authorised to consent to the registration of a new company to be called the Peak Tramway Company; that the liquidators be empowered to sell the undertaking of the company for \$200 per share in cash or shares of the new Company and to enter into all necessary agreements to that effect. The meeting was held and the resolutions passed, the plaintiffs and others dissenting. A second meeting was held and confirmed the resolutions, the plaintiffs again dissenting. Plaintiffs then gave notice to the company to abstain from carrying into effect the special resolutions. The defendant company did not obtain the consent of the Governor in Council for the sale or disposal of the property of the company, which approval was a rule precedent by Ordinance 2 of 1883. The defendant company without the authority of the shareholders agreed to purchase all right, benefit or advantage possessed by Mr. A. Findlay Smith in a project for the construction of a new tramway to the Peak and to pay therefor out of the funds of the defendant company a sum of \$25,000 to Mr. A. Findlay Smith and \$10,000 to the China Commercial Company, Mr. A. Findlay Smith assigned his rights and the money was paid over. In October last year the defendants consented to registration of the Peak Tramway Company, Limited and an agreement assigning the undertaking of the defendant Company to the Peak Tramway Company was entered into. The China Commercial Company also assigned their interest to the Peak Tramway Company for \$35,000. Having read the statements of claim and defence, counsel said his Lordship would notice from the prayer in the statement of claim that it was framed in the alternative, viz. that plaintiffs either claimed for a declaration that the resolutions purported to be passed at the meetings in June were of no effect at all, and that the second defendants as general managers be restrained from carrying them into effect; or in the alternative they claimed that they had a right to object to the resolution which had been passed to the effect that they were to take \$200 per share for their shares in the Hongkong High Level Tramway Company. They said that the price ought to be determined by arbitration. Before telling his Lordship on what grounds they took objection, he had to invite his Lordship's attention to the circulars and notice dated 22nd May, 1905. They admitted that both circular and notice were to be taken together. Counsel then read the circular convening an extraordinary general meeting of the shareholders for the purpose of sanctioning the re-construction of the Company. The first point plaintiffs desired to bring to the notice of the Court was the submission that that notice of the intended holding of the meeting was insufficient in point of law and that in consequence any resolutions purported to be passed following on that notice would be void. The notice contained no information of the intended scheme. It only stated that schemes were to be submitted. The question was whether that was

sufficient information to enable shareholders to decide whether it was advisable to attend the meeting or not. Referring to paragraph 2 of the circular stating that the object of the reconstruction was to enable the Company to acquire and construct a new tramway to the Peak which would otherwise be an independent company necessarily working in direct opposition. There was no statement contained in that notice as to the price or the estimated price of constructing the new tramway, nor was there any statement that it was proposed to merge that company in one with six times its capital. The capital of the Company was at present \$125,000, whereas the capital of the new Company was \$750,000. No mention was made of the period of time required for the construction of the new tramway, nor was there any statement of the price to be paid for the acquisition of the concession to construct the new tramway. Obviously there was insufficient information to the shareholders and the statement of the General Managers and Consulting Committee was calculated to persuade shareholders that the proposed scheme would be advantageous to them. The transaction was described as "reconstruction," but what an extraordinary reconstruction! If the new scheme was to be carried out, it was extraordinary that the notice did not state that the capital would be increased from \$125,000 to \$750,000—to six times the original capital, or make mention of how the dividends were to be kept up. Having quoted judgments showing that decisions had been given in like circumstances restraining defendants on the ground of insufficient notice, counsel argued that it could not possibly be said that fair notice of the new scheme had been given to the shareholders to enable them to judge whether or not they should attend the meeting. Proceeding, he pointed out that if shareholders took out 25,000 shares at \$1 each in the new Company out of a total of \$750,000 they would be in a minority in the new Company, and, having read the report of the meeting of the Company, stated that the Chairman had affirmed two or three times that the Company was pledged to buy the concession, but if that were so and it was admitted that \$25,000 was paid for the purchase of the concession—it should have been stated in the notice that \$10,000 was to be paid for promoting the new Company. Plaintiffs submitted that there was nothing to compel combined dissentients to accept the price of \$20 per share. There was nothing in the regulations of the Company to take away the rights of the shareholders, but that had since been disproved. Mr. Pollock quoted authority to support his contention that nothing in the articles could displace the proviso of the Ordinance. The mere fact that there was a provision for arbitration in the articles of association did not oust the right of the shareholders under the Companies' Ordinance. Mr. Pollock argued that an undertaking could not be sold to a company then not in existence, and that the obtaining of the consent of the Governor in Council was a rule precedent to the sale of the undertaking. He referred to the Ordinance which said "Subject to the approval of Governor being first obtained the company may sell," and contended that the company were bound by that Ordinance. The resolutions for the winding up of the company, etc., were passed without such condition; they did not get the necessary permission to wind up—

The Chief Justice—But it is not wound up yet; your injunction prevents that.

Mr. Pollock—Assuming that your Lordship decreed that our injunction be dissolved the company would be dissolved. And supposing the consent of the Governor was withheld all the resolutions would be void. The new company could not run the tram; the old company would be wound up. The shareholders, by passing the resolutions, did what they had no power to do under the Ordinances.

Mr. Sharp said he proposed to open his case as fully as Mr. Pollock in fact and in law. It was necessary to appreciate the whole case to consider briefly the position of what he would call the old Company. An ordinance was obtained in 1883 and Mr. Findlay Smith, who was the promoter of the new scheme, was the principal promoter of the old tramway. In

1885, pursuant to Ordinance, the old company was registered. Its capital was \$125,000 divided into 1,250 \$100 shares. When the line was constructed there were only about 20 houses at the Peak, and in the first complete year of working, 1889, no dividend was paid, as was also the case in the two succeeding years. In 1892 it paid a dividend of two per cent. and from then till 1903, when the Peak had steadily developed into a residential district by the enterprise of the old company, the dividend steadily rose from two per cent. to its maximum, 20 per cent. In 1903 Mr. Smith, the promoter of the first scheme who had meanwhile sold out his interests in the old company, promoted a second scheme to run from Battery Path to Victoria Gap, at the same point on the Peak where the old line terminated. From Dec., 1903, until Sept., 1904, correspondence passed between the Company and the Government, in which the old Company strenuously urged that conditions should be imposed upon the new Company which would prevent the new line being merely competitive with the old one and that it should be obliged to run to a different terminus at the Peak. Counsel then referred to the introduction of the Bill and remarked that at the second reading on the 3rd November, Mr. Gershom Stewart, the seconder, suggested that the new line be obliged to run to a different terminus, and following this the Governor proposed that the old Company should send in a formal petition setting forth their case. On the 12th December, 1904, Mr. A. F. Smith applied to be heard by counsel in the Legislative Council, and on the 13th December the petition, asking that conditions should be imposed as already stated, was sent in.

Mr. Pollock objected to the documents being put in, but

His Lordship asked if the application had not been postponed pending that action.

Mr. Sharp returned an answer in the affirmative.

His Lordship said he was afraid he could not exclude that.

Mr. Sharp then read correspondence from the Colonial Secretary, dated March, 1905, to the effect that the Government were not prepared to insist on the adoption of that condition. The old Company had changed their policy of opposition to amalgamation. Although the Bill had only been read twice, it was clear that Mr. Smith had got his concession, and the Consulting Committee resolved in April to bring the scheme before the shareholders. Counsel then dealt with the notice convening the meeting and argued that it was ample in the circumstances. The resolution in question was passed by a very large majority. Plaintiff and the other dissentients were present at that meeting and discussed the scheme in detail. Then at the second meeting the resolutions were confirmed by a large majority, the plaintiff again being present and discussing the scheme upon its merits. The price mentioned by the Consulting Committee was a fair one for the shares in the circumstances. Their reasons were those. News of the opposition scheme had at that time enormously effected the market. The New Tramway Bill was practically through and in consequence the shares had fallen greatly. In December, 1904, the shares were quoted at \$300, and in the same month they had fallen to \$280 and \$265. Immediately after the second reading of the Bill they showed a further decline. In January they were \$240 and \$230 and on February 22nd there was a sale at \$200. In May, 1905, when it had become known that the old Company was going to adopt the scheme and that the amalgamation would be carried through, the shares slightly rose again. Another reason for considering the price offered a fair one was that in the opinion of the Consulting Committee if the scheme had gone through it would have been fatal to the old company. The new line would have its lower station in a more advantageous position near the hotels and in the centre of the town, and a part of the line was to go through a very populous district. This portion alone, it was estimated, would have made the opposition concern a paying one and would have enabled the Company to carry passengers above Conduit Road at fatal rates.

His Lordship—If there was room for them.

Mr. Sharp—Room for whom?

His Lordship—Room for the passengers.

Mr. Sharp—Oh, yes; it was to have been a double line. Continuing, he said the new line would be more likely to pay because of new and better stations, carriages and equipment. Furthermore it would have the benefit of the experience of the old Company and would have ruined the old Company if it had been permitted to run in opposition. Not only did the Consulting Committee but the majority of the shareholders considered the price a proper one, and out of 196 dissentient shares 170 were bought between the 15th and the 25th May, 1905. Those purchases were obviously speculative and certainly no extraordinary consideration was due to plaintiff and the other dissentients. In reply to his Lordship, counsel said if his Lordship came to the conclusion that the arrangement by the committee and managers was not a *bona fide* one it would be his duty to set it aside. Continuing, he said that on the 26th June plaintiff sent his notice of dissent, the effect of which was a further acquiescence in the validity of the resolution. Counsel then read correspondence between plaintiff and the liquidators of the old Company, and said that negotiations between them having failed, the liquidators gave notice of their intention to carry the resolution into effect. Then, for the first time, on September 20th, the plaintiff's solicitor in reply suggested the invalidity of the resolution. On October 17th Mr. Smith's concession was assigned to the China Commercial Company for \$25,000 and on the day following the new Company was incorporated with a capital of \$750,000. Then two agreements were entered into, but when the writ was issued the Government indicated that the third reading should be postponed till that action was decided. Having completed his recital of the facts, Mr. Sharp said he would deal with the law next day. The Court then rose.

Tuesday, February 27th.

The hearing of the action at the instance of D. E. Brown and others against the Hongkong High Level Tramway Company and Messrs. J. D. Humphreys and Son was resumed. Mr. H. E. Pollock, K.C., appeared for the plaintiffs. He was instructed by Mr. Geo. Hastings (of the office of Mr. John Hastings) in the interests of plaintiff and by Mr. C. D. Wilkinson on behalf of the other dissentients. Mr. E. H. Sharp, K.C., and Mr. M. W. Slade, instructed by Mr. Harston (of Messrs. Ewens, Harston and Harding), appeared for the defendants.

Mr. Sharp, resuming his address, said he proposed to deal with the law and reply to the points raised by the plaintiffs. Referring to the notice convening the meeting, which was said by the other side to be inadequate, they made two answers. If the transaction came under section 201 of the Company's Ordinance, it was enough that it should be indicated the section need not be named. Counsel read judgments in support of his contention, and said those showed that the notice would have been good if it had given notice that a resolution would be passed and that authority would be given to the liquidators to carry out the arrangement. Alluding to the action of the plaintiffs, he would not put it so high as to say that they meant to ruin the Company if they did not get the price they wanted for their shares. For three months plaintiff was prepared to treat the resolution as valid but finally he said—perhaps not in these words—I have got this control over you: I will ruin you unless you pay me. His attitude was a threatening one with a view to getting his terms. While he admitted it was a small point, shareholders were to be taken to know the Ordinance under which his company subsists and his own memorandum of articles.

His Lordship remarked that the decisions recited yesterday showed that judges had different opinions as to whether shareholders should be held to know their articles.

Mr. Sharp then proceeded to argue that the transaction did not come under section 201 of their Ordinance but under 101 of their own regulations—the ordinary power of winding up. The sale of the undertaking was part

of the winding up and it was within the power of the liquidator even without special sanction from the shareholders but more so if he has such sanction to sell the undertaking. The liquidator under a voluntary winding up was in a better position than an official liquidator acting under the Court. Under such a winding up the minority of shareholders would be obliged to fall in with the arrangement or have the option of taking cash or anything else for their shares. Proceeding, he argued that the purpose of section 201 was under reconstruction schemes to assist shareholders who did not desire to join the new company and who would be compelled apart from that section either to join the new company or sacrifice their interests. There was no reconstruction case coming within section 201 except where the shareholder must take shares or nothing. The *prima facie* case was that the shareholders should get cash, but if he chose to move in the matter he would be allowed to take shares instead. If he does nothing he would get cash—\$200, as in the present case. The crucial question was this—could the present re-construction arrangement be carried out apart from the section? As he had pointed out in the cases read the arrangement permitted by the section could not be carried out apart from the section. Could this be? Clearly it could. The liquidator could have entered into an arrangement under which he sold the company out and out at a fixed price per share and that arrangement would have been binding on any dissentients—binding indeed upon the company. The case did not fall under section 161, and it followed that the dissentients had no right to arbitrate. With regard to the second point raised in the statement of claim that the notice did not sufficiently indicate the scheme, he would say that what was required was that a notice should show the general nature of the business to be considered. It must not be read strictly but, as many cases said, in the way that an ordinary business man would

His Lordship—The notice seems to give a general idea that the company is going to be re-constructed, but the agreement does not seem to carry out the idea of re-construction. The old company is to be sold to the new company. The difficulty in my mind is that there is no re-construction that I can see. The liquidators are merely to sell the old undertaking to the new company and the new company is to be an independent body with an independent capital. Re-construction is turning the old company into a new one. I cannot see in this agreement anything about capital.

Mr. Sharp—That is a point I am coming to; I will explain what is re-construction.

His Lordship—That is getting back to the old point—that the notice does not give sufficient information as to how the scheme is to be carried out.

Mr. Sharp—If your Lordship will allow me to go on with my argument and then ask me for information for any points it will, I think, be better. An essential feature of re-construction is the winding up of the old company. Then the new company is formed for the purpose of carrying on the other undertaking of the old company and usually for another purpose as well.

His Lordship—I cannot see that in the agreement.

Mr. Sharp—It acquires the old company's business.

His Lordship—I cannot see how it acquires it. It is now merely a sale of the old company to the new one.

Mr. Sharp—Yes, for the purpose of carrying on the work. The old is wound up and sold to the new.

After tiffin,

Mr. Sharp said that, according to Buckley, re-construction bore no fixed technical meaning, but the most essential part of a re-construction was the formation of a new company to take over the assets of the old one.

His Lordship asked if it were possible to have a re-construction without section 161. In *Palmer* it was laid down that there were the following modes of re-construction. The first was by special act of Parliament, the second by means of a sale sanctioned by the Court, and the third by a voluntary winding up and proceeding under section 161; the fourth by means of an exchange of shares followed by a voluntary

winding up, the fifth by means of a sale before winding up to be paid in shares of the new company.

Mr. Sharp—Supposing there had been no allusion to shares here and that it was wound up and a liquidator appointed, who sold the undertaking to the new company simultaneously created for the purpose. It does not matter what the proceeding is called. It is a legitimate transaction which would result in the new company carrying on the business of the old. Whether it is called "re-construction," "re-organisation" or "amalgamation" is quite immaterial.

His Lordship—The difficulty I felt was whether the re-construction as mentioned in the notice that the undertaking would be sold to the new company, and as you put it a compulsory sale of shares for cash is possibly a re-construction.

Mr. Sharp—You can only set aside such a transaction on the ground that it is fraudulent. The company was wound up by the consent of the majority and the liquidator was appointed. He has statutory powers and he chooses to sell to the new company.

His Lordship—The precedent of re-construction did not contemplate that.

Mr. Sharp—I don't think it matters what the transaction is called.

His Lordship—The point now is whether there was sufficient notice to the shareholders whether the notice which was first re-construction was sufficient as it afterwards turned out to be proceedings by way of sale to a new company for cash.

Mr. Sharp—It is not re-construction under the Act. It is wholly independent of the Act. It was a perfectly proper transaction which may or may not technically be called re-construction. Continuing his argument, counsel indicated that the \$10,000 paid out of the funds of the old company to Benjamin, Kelly and Potts was for brokerage and legal and other expenses—not for promotion, as stated. He dealt with the grounds of objection urged by plaintiff against the resolutions, and afterward replied to various points which arose in the course of debate. The first was the mode of arbitration. Although they had offered arbitration they denied that plaintiff was entitled to arbitration. They might consider the mode of arbitration to which he was entitled. Upon that point he would only observe that the articles overrode section 22. He also submitted that in any event the resolution to wind up was valid and the other resolutions could be confirmed. Whatever happened, the old company was in liquidation. Another point was that his Lordship could not consider the case of shareholders away from the Colony. The articles provided for a ten days' notice and those who were beyond the radius of that notice must leave attorneys. If they did not do so or the attorneys declined to act, the shareholders themselves must abide by the consequence. Passing on to another matter, he would suggest as a proposition of law that the Court was always disposed to support the majority against a dissentient minority in anything the majority was empowered to do and may have done irregularly. Of course he did not admit that they had done anything irregular, what would happen if the plaintiff succeeded in this case?

His Lordship—Obtaining the injunction?

Mr. Sharp—Yes, one of two things would happen. The resolution would have to be passed over again. There is no doubt about that. A point must not be overlooked that we are not the new company after all, although we are in a position to exercise control. The new company has been registered with our consent, and it could act independent of us. If it did we should be left in an awkward position. It has entered into a binding agreement to buy Smith's concession from the China Commercial Company and will have to carry out that agreement. It might carry out the new line after all. I don't say it would. But one of these two things must occur. Either we pass this resolution over again or what would be infinitely worse the new company, being in a position, might act against us and do what the majority of shareholders decided to prevent by agreeing to amalgamation. I submit also that the new company ought to be joined in this case.

His Lordship—Plaintiff asks for an injunction to prevent the resolution being carried out, and

you say the new company should have been joined?

Mr. Sharp—Yes. He added that to set aside that resolution would be setting aside the agreement, and that could not be done without the new company being before the Court. Dealing with the personal aspect of the case, he pointed out that plaintiff knew about the scheme before he attended the meeting, because he referred to newspaper articles on the subject and discussed it in detail. If there was any insufficiency in the notice, the plaintiff failed on that ground. He acquiesced in the validity of the resolution and never suggested it was invalid until he failed to get out of the liquidators the \$325 per share which he wanted.

The Court rose at 4.20.

Wednesday, February 28th.

The action at the instance of D. E. Brown and others against the Hongkong High Level Tramway Company and Messrs. J. D. Humphreys and Son was called to-day, but after consultation between the parties the case was adjourned till Monday, 12th March, owing to the illness of Mr. Ewens, the principal witness.

IN BANKRUPTCY JURISDICTION.

A QUESTION OF PROCEDURE.

Judgment was given in the action *re* Han Fuk Cheung firm *ex parte* the Hung Yuen Bank.

His Lordship said—There are two questions of some importance raised in this case, and as they were new I took time to consider them. Dealing first with the point raised under the Legal Practitioners' Ordinance, 1871, section 33, I do not think even if it were applicable to the present case it would come under the order giving the solicitor a charge on the property secured after it has been appropriated to another object by process of law. Now I do not think that such an order would achieve the end which the solicitor in this case has in view. It would only be applicable as between him and his client, whereas what the solicitor wants is an order in favour of his client and as between that client and the creditor in the bankruptcy. He is, however, entitled to a charge upon such property that is recovered out of the bankruptcy on behalf of his client and I make such order. Coming now to the application under section 1 (33) of the Bankruptcy Ordinance the position presents to my mind grave difficulties, because the words of this section are sufficiently clear and the Official Receiver could not do otherwise than report as he has done. The property of the debtor has been preserved by the expeditions proceeding adopted by the solicitor in attaching the property and the bankrupt estate has benefited by it. He had at the same time notice of an available act of bankruptcy committed by the debtor and, therefore, in the words of the section he was not entitled to priority of payment of his costs of these proceedings. I could, of course, not take into consideration the hardship if it results from the law, but I thought it advisable to pause before deciding this case, because it was apparent that a very unsatisfactory state of affairs would result from an adverse order in this case. Proceedings by way of attachment where there is an absconding debtor would be abandoned and in every case proceedings in bankruptcy would be started in lieu thereof. We should then have half-a-dozen bankruptcy petitions in Court. The Official Receiver himself admitted that to support his report he must contend that bankruptcy proceedings should have been immediately started in view of proceedings by writ and subsequent attachment. This cannot have been contemplated by the Bankruptcy Ordinance, because the plaintiff in this action took proceedings which the law allowed him to take. The law, in fact, gives a creditor at least two remedies in the case of an absconding debtor: one to proceed under the Common Code of Procedure to attach property, the other by proceedings in bankruptcy. If there are two remedies, there cannot be only one; and if I were so to construe the Bankruptcy Ordinance I should be destroying the remedy of attachment, which is, since the Common Code of Procedure has taken its present form, the latest in point of time. It is perfectly true that if bankruptcy proceedings are started

by another creditor the property recovered may have to go into the common fund, but that is no reason why the creditor should lose priority for his costs, which is the statutory reward of his diligence. It is a sound rule that, where two enactments are apparently in contradiction, the Court should never put the legislature in the position of having enacted an absurdity even through an oversight. I, therefore, hold that the words "any available act of bankruptcy" in the Bankruptcy Ordinance can only mean an act of bankruptcy for which the law provides no other remedy. I am glad to say that the learned Puisne Judge concurs in this interpretation: and the Official Receiver also, though he was bound to raise the point. There is this unsatisfactory side to the decision that there are two sets of costs with priority: those of the plaintiff in the action and those of the petitioning creditor in the bankruptcy. If such a case should occur again the Official Receiver's attention must be directed to the matter, and the Court will make such order on the hearing of the bankruptcy petition as the case seems to require. I, therefore, make the order asked for.

Thursday, March 1st.

BEFORE SIR FRANCIS PIGGOT (CHIEF JUSTICE.)

IN ORIGINAL JURISDICTION.

A COMPLICATED CLAIM.

Ng Hang-liat sued the Yuen Sing firm for the equivalent in Hongkong currency of Tls. 5,166,792. The Hon. Mr. H. E. Pollock, K.C., instructed by Mr. F. B. Deacon (of Messrs. Deacon, Looker and Deacon), appeared for the plaintiff, and Mr. M. W. Slade, instructed by Mr. R. Harding (of Messrs. Ewens, Harston and Harding), represented the defendants.

The statement of claim set forth that plaintiff was a merchant carrying on business at Swatow under the style of the Tung Chung firm and claimed from the defendant firm the sum of Tls. 5,166,792, as per account between them.

In reply the defendant firm denied that plaintiff carried on business under the style of the Tung Chung firm. The plaintiff, whose surname in the Cantonese dialect was pronounced Wong, was the younger son of Wong Him-un, deceased, otherwise known as Ping Kee, who up to the time of his death in 1899 carried on business under the style of the Tung Chung firm. Wong Him-un was a partner in the defendant firm and in 1898 lent them Tls. 10,000, of which sum various amounts had been repaid, but the balance still due amounted to Tls. 5,166,792. This amount the defendants were ready and willing to pay to the legal representative of Wong Him-un.

Mr. Pollock said that, as far as the amount was concerned both parties were in accord, but defendants denied owing the money to plaintiff. The point at issue practically was whether the defendant firm dealt with the plaintiff or his father. The statement made in the statement of defence that Wong Him-un was otherwise known as Ping Kee was not correct, as the plaintiff used the name, not his father.

The case was adjourned.

IN PROBATE JURISDICTION.

The action Cheung Kau-sin *v.* Cheung Choi-fat arising out of the probate action *re* Cheung Wong-shi (deceased) was concluded. Mr. H. G. Calthrop, instructed by Mr. G. Hastings (of Mr. John Hastings' office), appeared for the plaintiff, and Mr. M. W. Slade, instructed by Mr. G. K. Hail Bruton (of Messrs. Bruton, Mett and G. ldring), represented the defence.

Mr. Slade pointed out that order had been made for the payment of costs, which had not been complied with by the plaintiff.

Mr. Calthrop said that the costs taxed included costs prior to the date of the non-appearance of plaintiff and amounted in all to \$603 for one day's non-appearance. If the costs prior to that date were omitted it would make a difference of \$20. The order was for costs incurred by the non-appearance. On the pleadings the defendant admitted that plaintiff was the daughter of the deceased and was therefore entitled to half the estate, the only question between

them being whether the defendant was the son. The defendant obtained letters of administration and the plaintiff was moving to have the administration set aside. The property was admitted by both sides to be worth \$3,200, of which \$1,600 would belong to plaintiff, whether she succeeded in the present action or not. The plaintiff could not find the money to pay the costs at present, and under the circumstances Mr. Calthrop urged that the action be allowed to go on. In any case the defendant would be certain of his costs as he (Mr. Calthrop) was willing to allow them to be made a charge on his client's share of the property.

Mr. Slade said that any objection to the costs as taxed should be made to the Registrar. With reference to the order by the Chief Justice he submitted that such an order was binding and could not be set aside without application to the Full Court. They were entitled to the costs thrown away through the negligence of the plaintiff. The property was land in the New Territory and could not readily be turned into money. The money was a considerable sum to the defendant who would be put to serious inconvenience if he did not recover it. Plaintiff could have raised the money on a mortgage if she chose.

His Lordship—You admit plaintiff is entitled to half?

Mr. Slade—Oh, yes. There must be a division.

His Lordship—Would it not be better that the property should be sold. Judgment for non-appearance will not help you. If the property is sold you will have the costs you are entitled to and the case can go on.

Mr. Slade—I am extremely unwilling to have the property sold.

Mr. Calthrop—Then why did you try to sell it?

Mr. Slade submitted that where an order had been made, both parties had appeared, and the order was unfulfilled that judgment had the effect of stopping the action; it would be a binding judgment. The defendant and his witnesses were very old men, in fact the defendant was very ill and would probably die in a few days or so, while some of the material witnesses were in almost as serious a condition. It was imperative that the defendant's evidence should be taken at once. An application was made to have the defendant's evidence taken in January and the case was set down for January 11, but on the application of plaintiff was adjourned. Since then there had been other adjournments on the application of plaintiff, who, he contended, sought to delay the trial until defendant had died. The final order having been made and not fulfilled Mr. Slade asked for judgment.

His Lordship—I am afraid I can do nothing except give judgment dismissing the action.

IN BANKRUPTCY.

BEFORE Mr. A. G. WISE (PUISNE JUDGE).

PUBLIC EXAMINATION.

Re Chan Sau-shek and Leung Wai-tong *ex parte* the debtors.

Mr. G. H. Wakeman, official receiver, conducted this examination.

Mr. F. B. L. Bowley (of Messrs. Dennys and Bowley) and Mr. P. W. Goldring (of Messrs. Bruton, Hett and Goldring) appeared for several creditors, while Mr. F. X. d'Almada e Castro watched the case on behalf of the debtors.

Chan Sau-shek, sworn, said he was a partner in the Kwong Fuk Lung firm of 98, Jervois Street. There were two partners in the business, which was commenced in 1871. They subscribed \$2,000 each. The business done was in piece goods, and debtor and his partner took an active part in the business. They both took part in the management until 1894, when they went to Canton owing to old age, and left the business in charge of a manager. When debtor's original partner died, Leung Wai-ting, his son, succeeded him. After he went to Canton, debtor came down at the end of each year to see about the business. He paid his manager \$216 a year, and gave him a bonus when there was a profit made. The manager was allowed to draw money for his own use; and every year he overdraw a little over \$100, his salary not being sufficient to support his family. The book produced was the one containing an account of his drawing. It showed that he had

drawn over \$5,000, which was treated as temporarily settled. Debtor did not receive a promissory note for the sum. The entry in the book was written by the former accountant, who was not authorised to make it. The statement of his affairs filed was correct, and he was possessed of no other property. He first discovered that the firm was not paying last year, when the manager visited him at Canton and asked for more money, which he was unable to supply. The manager told him the reason the business was not paying was because he bought goods at a contract price, and then the price of the said goods fell. Debtor considered the advisability of winding up the business, and told the accountant to arrange matters with a solicitor. The meeting of creditors was held on the October 30th, when the creditors would not agree to give them time to pay. After that some of the creditors saw him at Canton and told him to come here and arrange matters. He arrived in October and found five men in possession of his shop; they were placed there by creditors, and took possession of what money was paid in. They banked \$1,000 paid to his firm, and he believed handed the deposit note to the accountant. His was chiefly a credit business, and he did a large business with people in Yunnan. Some of the firms there had not paid him.

By Mr. Bowley—The present manager was in his firm when it started, and he was a clansman of the debtors. He had not been in the Colony for some time, but was not afraid to come back. Debtor's accountant knew more about the business than he did, as he was now only a dormant partner. His accountant called the first meeting of creditors. He did not know that at that meeting the creditors were shown the manager's promissory note for \$5,600, and the manager did not pledge his share in the Sun Lung-tai shop at Amoy to secure that promissory note. Debtor had overdrawn his interest in the firm to the extent of \$14,000 and his partner to the extent of \$3,500, while the manager had overdrawn \$5,600 and the sub-accountant \$2,000. It was the practice to give employees in a Chinese shop a "cumshaw" at the end of the year. If an employee overdraw a small sum it would be allowed him as a "cumshaw." Debtor, his partner and employees had overdrawn from the firm \$28,600. That was not the reason why they were unable to meet their liabilities. In February, 1904, the shop took fire, and goods to the value of more than \$10,000 were destroyed. He did not get any insurance on them. Despite the loss by fire he made his foki a "cumshaw" of over \$9,000 at the end of the year; but this "cumshaw" extended over several terms of years. The firm made a loss the year before last; he could not remember how much money he drew that year, but it was not a very large sum.

Mr. Bowley—Well, here's your account. You draw 1,200 taels.

On perusing the account debtor admitted this.

Continuing, debtor said that when he filed his statement of affairs he estimated his assets at \$19,300. \$1,300 only had been collected, but there were more outstanding debts. In his list of assets there was an amount of \$15,000 out of jurisdiction. The people owing this amount were not insolvent. Debtor had a \$5,000 share in the San Wo Tai at Amoy. During the last few years he made about \$2,000 profit out of it; but had already drawn this amount. Debtor was the master of the Tien Fuk Hong at Canton, but that shop was destroyed by fire in January or February of this year. The Tien Fuk Tong was now carrying on business, but debtor was not a partner. He had not a family house in Canton, having presented it to his son.

The case was adjourned.

The Chairman of the Shanghai Chamber of Commerce, writing to the Senior Consul regarding the appointments to the Conservancy Board, states that the committee regard with considerable apprehension the trend of events in connection with conservancy matters, and complains that the recent assumption of control by the Viceroy through his nominees would seem to be an ignoring of the Convention signed in September last.

THE STATUE OF SIR THOMAS JACKSON.

HIS EXCELLENCY THE GOVERNOR UNVEILS THE MEMORIAL.

On Feb. 24th H. E. the Governor unveiled the beautiful statue of Sir Thomas Jackson which has been erected opposite the Hongkong and Shanghai Bank in Des Voeux Road. The statue is erected in commemoration of past services rendered to the Corporation by Sir Thomas Jackson, whose pioneer work placed the Bank in its present thriving position. There was a large gathering to witness the ceremony, and His Excellency Major Sir Matthew Nathan arrived at the appointed time, accompanied by his A.D.C., Captain Arbuthnot Leslie. Amongst others present were—Messrs. H. A. W. Slade, A. Haupt, Hon. Mr. C. W. Dickson, E. Goets, C. R. Lenzmann, G. H. Medhurst, F. Salinger, Hon. Mr. R. Shewan, E. Shellim, N. A. Siebs (Directors), J. R. M. Smith (Chief Manager), Colonel Chater (of the Argyll and Sutherland Highlanders), formerly stationed in Hongkong, an old friend of Sir Thomas Jackson's who happened to be passing through the Colony), His Hon. Sir Francis Pigott, Sir C. Paul Chater, C.M.G., T. Arnold, G. Murray Bain, L. Berindoague, J. W. Bolles, Hon. Mr. A. W. Brewin, G. de Champeaux, Hon. Mr. W. Chatham, J. A. Chinoy, T. P. Cochrane, T. P. Christiani, W. A. Cruikshank, W. Danby, W. H. Gaskell, H. J. Gedge, A. Hancock, S. Hancock, F. A. Haselard, E. A. Hewett, T. F. Hough, Hon. Dr. Ho Kai, H. Humphreys, W. G. Humphreys, H. U. Jeffries, Dr. G. P. Jordan, J. A. Jupp, E. S. Kadoorie, J. T. Lauts, D. R. Law, B. Layton, A. R. Linton, W. Lysaught, J. R. Michael, A. S. Mihara, M. T. Minami, E. W. Mitchell, H. N. Mody, A. G. Morris, G. C. Moxon, Dr. J. W. Noble, J. Orange, E. Pabaney, H. Pinckney, G. W. F. Playfair, W. H. Potts, E. A. Ram, A. H. Rennie, E. W. Rutter, W. J. Saunders, M. W. Slade, Hon. Mr. T. Sercombe Smith, Dr. Harston, Hon. Mr. Gershom Stewart, M. Stewart, A. G. Stokes, H. Suter, Hon. Mr. A. M. Thomson, C. H. Thompson, A. Turner, G. T. Veitch, J. Y. V. Vernon, J. Whittall, His Hon. Mr. A. G. Wise, A. G. Wood, H. P. White, F. B. Deacon, M. S. Northcote, J. C. Peter, H. E. R. Hunter, C. W. May, N. A. Stabb, A. Forbes, Capt. Tillett, N. M. H. Nemasee, H. W. Fraser, Capt. Goddard, A. R. Lowe, C. H. Rogge, A. Rodger, W. H. Wickham, W. H. Purcell, J. J. Leiris, W. S. Jackson, S. H. Michael, D. Forbes, H. Schroeter, S. A. Levy, A. V. Apear, J. Barton, C. E. Anton, R. R. Hynd, F. A. Gomes, G. H. Piercy, T. Owen, W. H. Potts, A. Gubbay, C. H. Grace, Capt. W. E. Clarke, Ho Kom-fong, Lo Cheung-shui, F. J. V. Jorge, W. Jones Hughes, S. A. Joseph, C. E. H. Beavis, R. Mitchell, A. G. Gordon, D. E. Brown, C. D. Wilkinson, A. Shelton Hooper, and H. B. Heemskirk.

His Excellency was met by Mr. H. W. Slade and Mr. J. R. M. Smith, who supported him on the stage from which the ceremony was to be performed.

Mr. SLADE said:—Your Excellency and Gentlemen,—By way of introduction to the ceremony in which we are about to take part, I will briefly recapitulate the circumstances which have led up to it. Sir Thomas Jackson took over the Chief Managership of the Hongkong Bank in 1876 when its fortunes were not very flourishing, when indeed its circumstances were somewhat humble. He laid down the burden in 1902, leaving the Institution proudly and, as we think, firmly established as the premier Bank in the Far East. He was always the first to claim that these results were in a large measure due to the splendid services rendered by the men who were associated with him in his life's work, but they, on the other hand, have always been ready to attribute them to his able leadership. A born leader he was—everyone who has known him on his serious side knows that—but he was more than a leader. There are leaders who command admiration by the brilliancy of their intellectual achievements, but who otherwise fail to command our respect. A successful banker must have more than intellect. He must have character. Character has more to do with successful banking even than brilliant

intellectual gifts, for, after all, the great thing is to inspire confidence. Your Excellency and gentlemen, Sir Thomas Jackson had both combined, and when he left the Colony although happily still to be connected with us as Chairman of our London Committee the shareholders of the Bank decided that it was only fitting that some monument should be erected to remind those who shall come after us of the man and of his work. They decided that it should take the form of a statue, to be set up in the vicinity of the Head Office, so that it might come to be regarded as part and parcel of, and be permanently identified with, the institution in the building of which he for so long took the leading part. Gentlemen, His Excellency Sir Matthew Nathan has kindly consented to unveil the statue, and I now, on behalf of all the shareholders, have the honour of asking him to perform the ceremony.

HIS EXCELLENCY, who was received with applause, said—Mr. Slade and Gentlemen,—I am glad the directors have asked me to do this. In the three months that I spent in England in 1904 between my return from the Gold Coast and my departure for Hongkong, I had the good fortune to make the acquaintance of three men whose powers of mind, strength of character, and attractiveness of personality far transcended those which fall to the common lot. And I recognised in these three men the type that had maintained, during the last quarter of the nineteenth century, the greatness of the British Empire outside the metropolitan country. The first of the three was Sir George Dashwood Taubman Goldie, who, while guiding the affairs of the Royal Niger Company, had secured the mouths of the Niger for Great Britain. The second was Sir Frank Swettenham, who, in a long connection with the Malay States, raised them to their present prosperous condition. The third was the man who, for 26 years, steered the Hongkong and Shanghai Bank through difficulties and dangers to opulence and security, who tempered wise caution with equally wise boldness, British earnestness with Irish joyfulness, and necessary strictness with genuine kindness. It is he whose features—done in bronze—by Mr. Raggi, we shall now see before us, and shall admire with the esteem and respect Sir Thomas Jackson so well deserves (hear, hear, and applause).

His Excellency then pulled the necessary rope, the shroud which encircled the statue fell away and the well-known figure was revealed, being received with three ringing cheers.

MR. J. R. M. SMITH—I have much pleasure in according a hearty vote of thanks to H. E. Sir Matthew Nathan for his kindness in coming here to-day to perform the ceremony of unveiling the statue of Sir Thomas Jackson. Also, on behalf of the staff I would like to take this opportunity of thanking shareholders and directors for such a signal mark of their appreciation of the services of our old chief (hear, hear). The bank staff will ever look upon Sir Thomas Jackson as a personal friend, for he was always full of kind thoughtfulness and consideration for those under his command. Gentlemen, we are all proud to have worked with him, and gratified to think that he has been so greatly honoured. I am sure you will all join me in the earnest hope that he may long live to wear his laurels (applause). Gentlemen, three cheers for H. E. the Governor.

The cheers were accorded, likewise a "tiger." His Excellency's acknowledgment being—"Thank you, gentlemen. You are very good to me."

REMINISCENT.

Sir Thomas Jackson is one of those men whose memory does not need a monument to keep it alive. In his case the words *Si Monumentum, circumspice* are most aptly applicable. As Sir Henry Blake said in 1899, when Mr. Thomas Jackson was receiving the letters patent of knighthood, "Who does not know J. J. P. I believe, ladies and gentlemen, that if letters were dropped in the post in St. Petersburg, Berlin, Paris, London, Disco, Santa Fe, and the little post office of the Straits of Magellan addressed 'T. J., China,' they would find their way into the Hongkong & Shanghai Bank in Queen's Road." In more serious vein, the Governor of that day referred to "the tongue of good report, that crystallised estimate of a man who has been for many years

in a prominent position before the public, and whose acts and thoughts and feelings have become factors in the general welfare." The keynotes of that "good report" were honesty and ability. Sir Thomas Jackson's ability was apparent to all, and his superlative honesty was an article of faith with all who had dealings of any kind with him. We get the impression, indeed, that he is not merely an honest man—"the noblest work of God"—but that his honour is of so scrupulous a sort that his fellow-men look up to him as a kind of commercial saint. His unflagging energy went beyond banking, beyond money-making; he did "good work for the general interest of the empire," and so set an example that might well be taken by some other Irishmen of these degenerate days. His ingenuous character was displayed in the manner with which he accepted the honour of knighthood. He named the colleagues whom he considered to have done ungrudging "sterling service to the Empire," Messrs. Cameron and Hillier. He was happy in his remark that he looked upon the Hongkong Bank as his "Number one wife," and the laughter and applause did not obscure the recognition that he had for many years been a very devoted husband indeed. It is worth remembering that he then had "the greatest opinion of the future of Hongkong," and we may be pardoned the little superstitious touch of suggesting that the presence of the mere effigy of such a man in Hongkong should be regarded as "good joss."

THE CITY HALL.

The annual meeting of shareholders in and subscribers to the City Hall was held in the Hall on Feb. 28th. Hon. Mr. C. W. Dickson presided, and there were also present—Hon. Mr. H. E. Pollock, and Messrs. H. N. Mody, N. A. Siebs and F. B. L. Bowley (secretary).

The secretary having read the minutes of the last annual meeting,

The CHAIRMAN said:—Gentlemen,—The year under review has been uneventful and the report and accounts now before us show clearly the present position of the institution. During the last four years over \$20,000 have been expended in structural repairs and internal improvements, and the building may be said to be in fair condition. The ceilings of the ball rooms and under the ball rooms are now constructed of cement plaster on metal lathing, and it is hoped that further expenditure in this direction will be unnecessary for many years. The re-construction of the eastern verandah is also a valuable and permanent improvement to the building. It will, however, be necessary to expend a considerable sum shortly in re-decorating the building internally and externally. The accounts show a general diminution in revenue, particularly in theatre rents as compared with last year, still the substantial sum of \$10,000 was collected from this source, which is peculiarly liable to fluctuation owing to the erratic movements of travelling theatrical companies upon whose visits the City Hall largely depends for its revenue. The City Hall comes in for a large amount of adverse criticism, but it must be remembered that its funds are limited and its revenue uncertain, so that it is necessary for the committee to carefully control the expenditure. In the course of the 36 years during which the building has been open the shareholders of the City Hall have received no interest on their capital, and the object of the committee has always been to meet the requirements of the community of Hongkong as far as the means at their disposal permitted. During the early years of the institution the accounts always showed a debit balance, but under the careful management of Mr. H. L. Denny, who was secretary for 23 years, this position was reversed and a small reserve fund of \$15,000 was gradually built up. Last year the committee decided to limit the reserve to the sum named with the object of applying any surplus of revenue over expenditure toward improvements. The library and museum have been freely criticised, but in view of the fact that (with the exception of a grant of \$1,200 from the Government) there are no funds other than the surplus of revenue above-mentioned for the maintenance of these institutions, the committee consider that their condition is as good as can be expected, having regard to

the extremely difficult climatic conditions. During 1905 considerable improvements have been effected both in the museum and library, and that they are appreciated by a large section of the public is shown by the figures quoted in the report. Another charge brought against the City Hall is that it is not now large enough for the wants of the Colony. In so far as the library and museum are concerned this may be true, but the theatre easily accommodates the average audience and is only really full on two or three evenings in each year, while the assembly rooms have proved amply sufficient for all the public meetings and entertainments that have been held in them with the exception of the St. George's and St. Andrew's Balls. At each of these balls the crowding is perhaps inconvenient, but it would surely be extravagant to build an enormous new ball room for the purpose of obviating this slight inconvenience during a few hours in each year. If a suitable building were provided elsewhere for the museum and library, the accommodation of the City Hall would be ample for all ordinary purposes. The committee will continue in their endeavour to effect all such improvements in the institution under their care as are consistent with its economical management, having due regard to the various and many-sided wants of the community. I regret very much to tell you that after to-day we lose the valuable services of our secretary, Mr. Bowley, who owing to the pressure of other engagements finds it necessary to resign, and I take the opportunity of recording our high appreciation of the interest he has taken in the work and the care he has giving it during his whole term of office. I now propose that the annual report and accounts be passed.

MR. POLLOCK seconded, and the motion was carried.

A vote of thanks to the Chairman, proposed by Mr. Mody, concluded the meeting.

REPORT FOR 1905.

The report submitted contained the following statements:—

Hon. Mr. J. W. Gresson resigned the position of chairman in May last, when the Hon. Mr. C. W. Dickson, on returning to the Colony, again became chairman.

In March, 1905, Mr. A. G. Wood was added to the committee, which now consists of the chairman, Mr. B. Layton (Hon. Treasurer), Mr. H. N. Mody, Mr. N. A. Siebs, Hon. Mr. H. E. Pollock, K.C., and Mr. A. G. Wood.

The building has been maintained in a fair state of general repair, the usual annual inspection being made by the architects, Messrs. Palm and Turner, in September.

The total of theatre rents collected was \$10,392.26, showing a decrease from last year's rents, which were exceptionally high.

The rents collected for the use of the assembly rooms amounted to \$3,399.50, nearly \$1,000 less than in 1904.

In the spring the committee voted \$1,000 for additions to the free lending library and 339 standard works, selected with great care, have been added to this collection, and 50 books have been renewed. A supplement to the catalogue has been prepared but not printed. 160 new borrowers' tickets were issued during the year, and at its close 340 borrowers' names were on the register—a considerable increase on last year. The borrowers include 74 ladies, 28 Government servants, 33 naval and 43 military men, 22 mercantile marine officers and 105 clerks and mercantile assistants. Over 6,700 books were issued, of which 90 per cent. were fiction, 4½ per cent. travel, 1½ per cent. biography, ½ per cent. poetry, and 3½ per cent. miscellaneous.

The balance in the hands of the treasurer on closing the accounts for 1905 was \$2,334.63, while \$15,300 (including interest) is on fixed deposit with the Hongkong and Shanghai Bank.

The ordinary revenue amounted to \$15,087.09, a considerable falling off from 1904, the ordinary expenditure was \$10,973.64, while \$5,439.23 was spent on special repairs and renewals, and liabilities to the extent of about \$1,800 are outstanding on this account.

A rough analysis of the accounts give the following figures—Theatre, income \$10,400, expenditure \$5,400, surplus \$5,000; Ball Rooms, etc., income \$3,400, expenditure \$4,100, deficit

\$700; Library, Government grant \$600, expenditure \$4,500, deficit \$3,900; Museum, Government grant \$600, expenditure \$2,400, deficit \$1,800. The nett loss of \$1,400 was made up by the transfer from the reserve fund.

PROPERTY SALE.

At his sales rooms on March 2nd Mr. G. P. Lammert, auctioneer, offered for sale by public auction two lots of valuable leasehold property, the front of which abuts on Caine Road.

The first lot put up was all that piece or parcel of leasehold ground known and registered in the Land Office as the remaining portion of sub-section No. 1 of section A of inland lot No. 148, having an area of 2,522 square feet, and on which stands the valuable leasehold messuage and premises known as No. 26, Caine Road. After keen competition the lot was knocked down to the Rev. Father Maria for \$22,100.

The second lot offered was all that piece or parcel of leasehold ground known and registered in the Land Office as section A of sub-section No. 1 section A of Inland Lot No. 148, having an area of 2,098.06 square feet, and having erected thereon the valuable leasehold messuage and premises known as No. 24, Caine Road. Bidding in this case was also spirited, closing at \$16,000, at which price Mr. Sin Tak-fan was the purchaser.

Messrs. Johnson, Stokes and Master were the solicitors for the vendor.

THE TEACHING OF HYGIENE IN SCHOOLS.

The report by Mr. E. A. Irving, Inspector of Schools, on the teaching of hygiene in the schools of Hongkong, affords interesting reading. Mr. Irving says:—

There is no doubt in my mind that a really practical knowledge of the rudiments of hygiene has been acquired. That was my impression before the examination, the results of which only serve to confirm it. The best papers were full and accurate, the worst contained singularly little of the meaningless verbiage which examiners learn to look for at the bottom of any considerable number of papers. On the contrary, the worst papers, with few exceptions, gave me the idea that the writers were either struggling to express a correct idea, though language failed them; or else they were in the position of one who has fully comprehended an argument, but finds that he is unable to recollect all the stages thereof, when he wishes to reproduce it. Many faults also were faults of omission rather than of commission. As an example, I will quote one of the worst replies of the worst boy in the worst team to the question on the uses of cooking. He says:—"Because food has millions of germs in it, and they make us have many diseases, so that we cook our food to destroy all germs and we can escape from diseases."

The papers were very fair, if I may be allowed to say so. I cannot help regretting the absence of a question on the sources of malaria. Thanks to the action of the Government, that disease is disappearing from Hongkong; but its prophylaxis will not cease to be of vital importance to Chinese boys, so long as they continue to return for their holidays to fever-ridden homes.

Turning to the methods employed in teaching the subject, I do not think all the teachers taught as much by experiments as they might have done. A few seem to be unable to dissociate the word from the ideas of stoppered bottles and small explosions. A little ingenuity is indeed required. I have been asked with rhetorical effect, whether I proposed to shew classes by experiment the effects of an excess of carbon dioxide. And yet by breathing through a straw into lime water (a preparation which no family is without) the ravages of this gas may be illustrated in the most startling manner. I wonder how many of the pupils who discoursed on damp courses, had been taken to the nearest house under construction to see one.

The elementary course is not long, and few children leave English and Anglo-Chinese schools before reaching the fourth standard. If they do, I do not think they will have been

able to assimilate much of the teaching in so short a time. I am, therefore, of opinion that instruction in hygiene might be deferred till standard IV. The handbook is really too hard for standard III. to use as a reader.

During 1905 the total number of children receiving instruction in hygiene was 1,524.

HONGKONG ODD VOLUMES' SOCIETY.

The annual meeting of this society was held at the City Hall on March 2nd. Mr. H. E. Pollock, K.C., presided over the members present.

The CHAIRMAN stated that the paper before members showed the report and statement of accounts from the 31st October, 1904, to the 31st December, 1905. During the period under review five lectures were delivered. Since the 31st December three lectures had been delivered under the auspices of the society but they would appear in the next report. The statement of accounts showed, as against the balance brought forward from last account on 31st October, 1904, of \$195.89, that they had a balance in the bank on December 31st, 1905, of \$317.36, so that the finances of the society were in a sound condition. As members were probably aware, they contemplated holding an exhibition of photographs and other arts as well under the auspices of the society shortly. If they were to have such an exhibition, it was necessary that the society should be well supported, therefore, they would require members' subscriptions in the near future. He begged to move the adoption of the report and accounts.

Mr. F. BROWNE seconded, and the motion was carried.

The election of officers was then proceeded with, and resulted as follows:—H. E. the Governor, president; Mr. W. H. Purcell, hon. treasurer, and Mr. H. E. Pollock, hon. secretary.

Mr. POLLOCK said he would do his best in the future in the society's interests, but there was a great call on his time. Members would have noticed the express circulated inviting all who were interested, whether members or not, to take part in the proposed exhibition of photographs and pictures. He was sorry there was not a larger attendance at the meeting, but did not know that that necessarily implied that the public were not prepared to support such an exhibition. There was always a difficulty in getting people to attend meetings, probably owing to the many amusements prevailing. Some time ago a letter from the society with regard to the exhibition was published in the press. It invited people to communicate with him on the subject, and he had heard from five or six different people, and believed that if the idea was put into practical shape, they would find that they had practical support behind them. If seriously taken up they would find that the general public would join in, and although they could not at first expect to get a complete exhibition, yet year by year they would find an improvement, and more people would exhibit. They ought, at all events, to attempt to see whether an exhibition could be held. It was necessary for this purpose that a working committee should be appointed and he proposed Miss Bowley, Captain Marchant and Mr. C. H. Gale as members.

Mr. F. BROWNE seconded, and the proposition was agreed to.

It was agreed that the committee should have power to add to their number, and that arrangements in connection with the forthcoming exhibition should be left in their hands.

The meeting then ended.

The *Foochow Echo* publishes a translation or a proclamation issued by the Acting Viceroy of Min-che publishing an Edict from the Throne in regard to the boycott of American goods. A comparison of the dates of the receipt of the Edict and its publication, our contemporary remarks, shows that the Acting Viceroy kept it in hand unpublished over four months. The purport of it is that the boycott movement was "rather too hasty," and had better not go on.

HONGKONG VOLUNTEERS.

The Maxim gun competition which took place at Taikoo last Saturday has resulted in Left Half No. 2 Company winning the Gascoyne Cup from Right Half No. 2 by four points. The positions of each are herewith indicated:—

Left Half No. 2 Company (Field dress and drill, 32; time, 21, strength, 22, accuracy, 122; total 197)	1
Right half, No. 2 Company (Field dress and drill, 31; time, 29; strength, 33; accuracy, 100; total 193)	2
Left half No. 1 Company (Field dress and drill, 26; time, 18; strength, 40; accuracy, 88; total 172)	3
Right half, No. 1 Company (Field dress and drill, 20; time, 9; strength, 13; accuracy, 83; total 125)	4

HONGKONG VOLUNTEER RESERVE ASSOCIATION.

GOVERNOR'S CUP 1905.

Mr. W. D. Braidwood put in the highest card for the 1905 Governor's Cup for February and is thus entitled to hold the Cup during March. He also wins one of the spoons presented by the Association, while Mr. Blowey takes the second spoon.

Below are the principal scores:—

W. D. Braidwood	49 + 20 = 69
A. Blowey	56 " 10 = 66
J. H. Pidgeon	62 scr. = 62
J. Whittall	54 + 6 = 60
W. H. T. Davis	53 " 6 = 59
J. J. Stubbings	56 " 2 = 58
E. W. Terrey	44 " 14 = 58
G. M. Hurston	34 " 24 = 58
Sir Francis Piggott	51 " 4 = 55
A. W. J. Watt	49 " 6 = 55
J. McCubbin	41 " 14 = 55
W. Goodfellow	46 " 6 = 52
H. W. Fraser	42 " 10 = 52
Dr. Evan-Jones	43 " 8 = 51

GOVERNOR'S CUP, 1906.

In the second month's round for this Cup Mr. W. J. Saunders put in the highest card and thus holds the Cup during March and also takes the first spoon presented by the Association. Messrs. Gow and Pidgeon also receive spoons.

Below are the principal scores:—

W. J. Saunders	70	C. E. Thomas	61
J. C. Gow (Scr.)	67	C. E. H. Boavis	60
J. H. Pidgeon (Scr.)	67	J. McInnes	60
D. J. Mackenzie	67	C. H. W. Kew	59
A. Blowey	67	Hon. L. Barnes	58
A. J. Williams	67	Lawrence	58
W. H. T. Davis	66	J. H. Underwood	58
T. P. Cochrane	66	P. L. Miller	57
H. T. Richardson	65	E. A. Hewett	57
G. K. Haxton	64	W. M. Stewart	57
Sir F. T. Piggott	64	G. A. Hastings	56
J. M. Henderson	64	Hon. G. Stewart	56
J. T. Douglas	64	H. W. Fraser	55
J. C. Peter	63	J. McCubbin	55
A. W. J. Watt	63	J. J. Stubbings	52
W. D. Braidwood	63	L. G. Bird	52
J. S. Lewingdon	61	Dr. W. B. A. Moore	52
A. Moir	62	H. Wateman	51
W. Dobbs	61		

FATAL TRAM ACCIDENT.

At the Magistracy on March 1st before Mr. F. A. Hazeland and Messrs. C. J. Cooke, S. A. Nevills and E. J. da Silva Loureiro, jurors, an inquiry was held into the circumstances connected with the death of Cheung Li, who was killed by a tramcar in Connaught Road West on the 21st ultimo.

The motorman of car No. 12 stated that he was travelling at the time from east to west. When near the *Kwong Tung* steamer's wharf a Chinaman, carrying a bundle, passed in front of the car. On seeing the Chinaman crossing he rang his gong and applied his electric brake, but the man was knocked down. The front of the car struck deceased on his right shoulder and he was thrown to one side, the guard lacerating his leg.

H. Coombs, Sanitary Inspector, said he was on the verandah of a house in Connaught Road at the time of the accident. The violent ringing of a tram bell attracted his attention, and he looked down in time to see deceased knocked down. He was never under the car.

After hearing further evidence, the jury returned a verdict of death by misadventure.

HONGKONG VOLUNTEER TROOP.

On Feb. 25th the members of the Hongkong Volunteer Troop took part in a competition calling for a display of general yeomanry attainments. The competitors, working in pairs, were started at intervals of 20 minutes from the bottom of Wong-nei-Cheong Hill by Sergeant-Major Hudson. Each pair rode to Wong-nei-Cheong Gap, at which place the odd number dismounted with rifle and proceeded by the shortest route to Deep Water Bay to which place the even number had in the interval led his partner's pony by road. Arrived here, the odd number fired five rounds at a target and thereafter carried out an order communicated to him; and having completed this he mounted his own pony and led his partner's back by road to Wong-nei-Cheong Gap. Meanwhile the even number had fired five rounds at a target and carried out a given order afterwards returning by the shortest route to the same point as his partner and, having remounted his pony, returned with his partner to the starting point. Each pair was allowed fifteen minutes in which to complete firing and execute the written orders handed to them and draw a map of the island as well. The results were very satisfactory indeed, the average time for all the competitors being 1 hour 10 minutes. Messrs. Gedge and Moxon did the work in the shortest time—1 hour 4 minutes.

Major Pritchard acted as judge, while Lieut. Ross, commanding the troop, adjudicated at the targets.

The Troop Orders, dated March 3rd, on the recent Wong-nei-cheong competition contain the following criticism by Major Pritchard, R.A., Commandant Hongkong Volunteer Corps:—

"The main object of this competition was to bring to the notice of the members of the Troop the necessity of rifle practice, rapidity, and the careful study of maps. The competition was, on the whole, well carried out by those who entered, but out of a total number of 26 members now present in the Colony, the attendance (12) should have been better. The target practice was difficult owing to the small size of the target and bull's-eye (four inches) and consequently the scores were low. Some of the members of the Troop did not appear to be thoroughly conversant with their rifles, the action of the safety bolt, sighting, etc. It is also of the utmost importance that the rifles should be always kept clean. The time taken by the winning pair (Corporal Moxon and Trooper Gedge) was very good, and two other pairs also completed the course in good time."

EXCITING SCENE IN HONGKONG HARBOUR.

GALLANT RESCUES.

An exciting scene, unfortunately attended with loss of life, was witnessed in the harbour on the 22nd February. As a coal coolie boat, with about 100 coolies on board, was returning from Taim Tsa Tsui to Praya East she was caught by a squall off Wanchai and capsized. The spreading sail and hull covered the majority of the people as they struggled in the water and added to the seriousness of their position. Happily the accident was observed by a number of people. The first to proceed to the work of rescue were the two Customs launches the *Kwangtun* (Captain C. D. Bedoire) and the *Kowloon Tsai* (Captain A. K. Tellefsen). They sent out their boats and the crews succeeded in rescuing the greater number of the coolies. Two sailors of the *Kowloon Tsai* named Lui Chee and Lu Fu distinguished themselves by a heroic display. Both good divers and swimmers, they rescued no fewer than seven men, one woman and four children who were entangled in the gear of the junk, most of them in an unconscious condition.

Two men were drowned, and it is eloquent testimony to the prompt assistance and smart boatwork of the launch crews that the loss of life was not greater. Several sampans from neighbouring junks also rendered assistance. The conduct of the two sailors mentioned is in the highest degree praiseworthy and gives them claims to the Bellis medal for gallantry.

CANTON.

[FROM OUR CORRESPONDENT.]

February 22nd.

THE OPIUM QUESTION.

Concerning the increased tax on prepared opium, H.B.M.'s Consul-General, in reply to the Viceroy's despatch, again calls his attention to the fact that the further taxation of prepared opium was only recently brought up, and that it was decided that any further taxation on this article must be settled by H.B.M.'s Minister and the Chinese Foreign Office. As this is a matter of great importance, the Viceroy is advised not to act hastily. The Consul-General informs the Viceroy that he has sent to the British Minister in Peking a fully detailed report concerning the affair.

NATIVE UNREST.

A rising is anticipated to occur in the Ching Ling district near Linchow, the seat of the late missionary troubles. It is said that several thousand members of the Triad Society have gathered there.

VICEROY SHUM'S TRANSFER.

It is reported that the Viceroy will most probably be transferred to Shantung (the Liaotung Peninsula).

"EWO" AND LIKIN THIEVES.

Viceroy Shum has received a telegram from the Central Government stating that the Foreign Office received a despatch from H.B.M.'s Minister in Peking in which it was stated that on January 29th the British firm "Yee Woo" (Messrs. Jardine, Matheson and Co.), after paying the proper duty on a certain quantity of merchandise to the I.M. Customs, had the receipts stolen from the hands of their native employee by the soldiers of the new likin station called the Po Hau Sho (royalty station). According to treaty, after the proper duty is paid, no other tax can be imposed. Besides, the robbery of the receipts was a reprehensible act. The Minister requests that this new royalty station be immediately abolished. The despatch orders the Viceroy to investigate and report.

PALM LEAF FANS.

The export trade in palm leaf fans is constantly decreasing. They are imported here from the San Wai district, when hundreds of families earn their livelihood by their manufacture. The trade has diminished by fully one-third. Some attribute this falling off to the boycott, America being the chief buyer.

February, 24th.

ARMS.

Messrs. Carlowitz & Co. have notified the Sin Hau Kuk that 500 rifles and 500,000 smokeless powder cartridges ordered by the Provincial Government have arrived in Hongkong. Upon receipt of this notification the Sin Hau Kuk requested Viceroy Shum to issue a permit to be forwarded through H.B.M.'s Consulate for signature so that the arms and ammunition may be shipped to Canton for delivery.

A FATAL COLLISION.

The foggy weather renders navigation very difficult. On the 5th inst. a collision took place in the neighbourhood of Pak-Hin-Kok between the steamer *Yunnan*, of Butterfield and Swire, and a Chinese junk loaded with bricks and tiles. The junk sank immediately and a man called Ho Kun-yung, the father of the junk owner, was drowned. The matter was reported to the Water Police station and now the Viceroy has sent a despatch to H.B.M.'s Consul General claiming damages from Messrs. Butterfield and Swire on behalf of the junk owner.

ELECTRIC TRAMS FOR CANTON!

It is reported in official circles that the Provincial Government intends to construct an electric tramway along the city walls. A survey has been made.

MORE ROBBERIES.

It is reported that several nights ago a house occupied by a man surnamed Kan in Yim po on the Fatshan line was attacked by a band of robbers over one hundred in number who made good their escape after taking away loot of considerable value.

On the 18th inst., Chan Lin-tin, a Tsun-si, with his family engaged a fine flower boat to go to Kun-yin, a popular joss resort, where

hundreds of people go at this time of the year and which may be reached in about an hour from Canton by steam launch. They arrived safely and went to the temple for the customary ceremony. When they returned to the flower-boat and all the family had got inside a band of robbers with revolvers suddenly rushed on board. The ladies of the family were stripped of all their jewellery and even their outer garments by the bandits. The matter has been reported to the authorities. The spoils are estimated at about one thousand dollars.

CANTON-KOWLOON RAILWAY.

It is reported that a telegram was received on the 18th inst. from Peking stating that the Waiwupu and the Board of Commerce have settled with the British Minister that the Chinese section of the Kowloon-Canton Railway will be built by the Chinese.

THIEFS FROM FRENCH CONSULATE.

Almost all the curios stolen from the French Consulate have been recovered in a shop in the Tai-Sang-kai (curio street), the thief having made a full confession and indicated where he had disposed of the stolen property. The curio-dealer ought to be prosecuted for receiving stolen property.

CANTON-HANKOW RAILWAY.

On the 17th and 18th inst. the black cloth guild in Fatshan subscribed for 5,000 shares in the railway company. It is expected that this guild alone will be able to take up 20,000 shares altogether.

COAL DISCOVERED.

Li Kwok-on, of the Tiu Sing Company, has discovered coal in Tai Kong, Ping Kong and Ha Ma villages of the Poon Yu district. He has raised capital and has petitioned the Poon Yu magistrate for permission to open mines. The Poon Yu magistrate despatched a deputy to inspect the mines on the 21st inst. and will report the matter to the Viceroy.

Canton, February 28th.

The ex-Taotai of Shanghai, Yuan Shui-fan, it is reported, is coming to Canton next month (March) to hold an investigation concerning Lai Kwai-pui's case.

REBELLION IN KWANGSI.

The Governor of Kwangsi has telegraphed to the authorities here that secret societies have started a rebellion in the Province and that part of their force have crossed the Kwangtung frontier. The Governor asks for assistance to suppress the rebellion.

A TRANSIT PASS QUESTION.

Some time ago Messrs. Jardine, Matheson and Co. shipped a large quantity of Chinese dyes from the interior under transit passes which were obtained from the Wuchow Customs. The Customs officials [at Canton?] seized the goods, alleging that the time stipulated in the transit passes for exporting them had expired. Messrs. Jardine, Matheson and Co. protested and lodged a claim through H.B.M.'s Consul. In the meantime the dyes had been disposed of by the authorities. The Viceroy has ordered the proceeds of the sale, 4,000 taels, to be returned to the claimants, but has informed them that no such claims will be recognized in future.

VICEROY SHUM.

A telegram has arrived from Peking announcing that the Central Government wants Viceroy Shum to exchange posts with the Viceroy of Fukhien (who is now abroad with the Special Mission). The telegram further states that the exchange will shortly take place. On the other hand, reports are circulated that Viceroy Shum will be sent to Kwangsi to suppress the rebellion which has started again.

THE FIRE.

The fire, already briefly reported, started about half-past three on Monday in a tea house, the Sum Kee shop, situated on the canal just below the English Shameen Bridge. There was a strong wind blowing and the fire spread very quickly to the adjoining houses. The Shameen Fire Brigade rendered assistance but had soon to protect the Shameen side, as the shutters of the godown belonging to Messrs. Shewan, Tomes and Co. caught fire. About 30 houses were gutted and the damage is said to amount to about \$50,000. The store of Yuen Hang, opposite the entrance to the bridge, was completely burnt down and owing to a change in the wind the fire stopped there. The remains of the gutted houses burnt all night, illuminating the Canal.

Most of the houses are said to have been insured Yuen Hang alone carrying, it is said, policies to the value of \$20,000. One life was lost, an old man, the owner, it is said, of the tea shop where the fire originated.

March 1st.

THE HOPPO'S SEAL.

As the Hoppo's post has been abolished, Deputy Fong Yin has been instructed to take the seal to Peking and to deliver it to the Board of Revenue.

THE RAILWAY.

The Chamber of Commerce yesterday received a telegraphic reply from the leading Cantonese merchants in San Francisco concerning the question of inviting the Chinese residents in America to subscribe for railway shares. The merchants inform the Chamber of Commerce that they have already made arrangements to take shares, but that before actually doing so they are desirous of seeing the statutes of the Company.

On the 11th ultimo the 72 Guilds telegraphed to the Board of Commerce requesting the made by memorialize the throne on their behalf manager papers here have now been advised by that the respondents at the capital that the Board of Commerce has not yet complied with the request.

March, 3rd.

RAILWAY SHARES.

The Cantonese residents of Hankow have sent a telegram to the Chamber of Commerce here to inform them that at a meeting held at their club in that city it has been decided that they will take up 100,000 shares of the Yuet-han Railway if the concern is to be under the merchants' control; otherwise they will not contribute a single cent. They also ask that the conditions be made known to them.

THE SEIZURE OF COAL.

The Viceroy has sent a dispatch to Peking declaring that the coal seized in the Yin-cheong godown at Ho-nam is the bona-fide property of Chow-tung-sang. His Excellency adds that he has in his hands the account books kept by Fung Wah-chuen's accountant, a man named Kwang, to prove that he is right.

THE SILK TRADE.

Owing to the high exchange prevailing there is a slump in the silk trade and many of the filatures are still closed. Labour is cheap, however, and the filatures that are working find hands at 10 cents per diem as against 30 cents when the business is brisk.

MACAO.

[FROM OUR CORRESPONDENT.]

Macao, March 1st.

TRIAL OF MR. DA LUZ.

The trial of Mr. da Luz for accidentally shooting an old Chinese woman at Taipa, reported by me some time ago, took place today before the Chief Justice, who, after hearing the evidence, duly acquitted the accused and reinstated him in his old place in the Government service. This decision has given entire satisfaction to the friends of Mr. da Luz and to the people of Macao and Taipa, both Europeans and Chinese, by whom Mr. da Luz was well-known and highly respected.

THE CARNIVAL.

The annual carnival which is usually a gay event in this city passed off very quietly this year. There was nothing particular to mark the occasion. There was a dance at the "Gremio Militar" and another at the Club de Macao, both of which proved enjoyable.

THE PROCESSION OF THE CROSS.

This religious fixture will come off on Saturday and Sunday next. The procession will, as in former years, start from the S. Agostinho Church to the Sé Cathedral on Saturday evening, and return to the former Church again on Sunday evening. This procession generally attracts many people from Hongkong, and I believe that such will be the case again this year, provided the weather be favourable.

The Ven. Archdeacon H. M. E. Price was consecrated Bishop of Fu-kien on the Feast of the Purification in Westminster Abbey. The Bishop hopes to leave England for his diocese in a few weeks' time.

NETHERLANDS TRADING SOCIETY

OPENING AT HONGKONG.

On March 1st a branch of the Bank known as the Nederlandsche Handels-Maatschappij, or Netherlands Trading Society, will be opened at Queen's Buildings.

This Society, which was established by Royal Charter in 1824, occupies a prominent position among leading companies. Its head office is at Amsterdam, while branches are established throughout the Netherlands Indies, and in the Straits Settlements, British India, China and West India.

From the balance sheet to December 31st, 1904, which was presented to shareholders at the annual general meeting held on June 20th, 1905, we note that the company has a paid up capital of 45,000,000 guilders, or £3,750,000, and a reserve fund of 5,000,000 guilders, or £416,667. In addition to these figures the fixed deposits with its head office and Eastern branches aggregate £3,790,297. The net profits for the year under review, after deducting current expenses and writing off bad debts, and with the addition of the balance carried forward from 1903, were £423,488, out of which a dividend of eleven per cent. was paid.

SHANGHAI'S BUDGET.

The N.C. Daily News says:—The Municipal Council has sent us an advance copy of the Estimates for 1906. The ordinary expenditure for the year is estimated at Tls. 1,774,000, a surplus of Tls. 260,000 is expected. This surplus with the surplus from 1905, some Tls. 220,000, is carried to extraordinary income; but as the extraordinary expenditure is estimated at Tls. 529,500,000—so that we have reached the two-million-tael mark—there will be a deficit at the end of 1906 of Tls. 47,500. The Budget also contains sterling extraordinary income and expenditure, but they do not require comment at present. There is to be no change in taxation proposed, so that there is nothing sensational in the Budget, and the proposed increase in the Indian branch of the police force will only call for a sum of Tls. 30,000 this year. The most interesting part of this pamphlet is the section headed "Extraordinary Expenditure." There is a long record of work to be done during the year, work that must be done, and still leaving much to be done in succeeding years.

ROYAL HONGKONG GOLF CLUB.

The monthly competition for the Captain's Cup and May Cup was held on the 25th February, when the following returns were made:—

CAPTAIN'S CUP.

* Mr. W. W. G. Ross	88	—	12	=	76
Mr. T. B. Norris	90	—	9	=	81
Mr. J. Clarke	83	—	1	=	82
Mr. C. M. G. Burnie	82	+	1	=	83
Mr. H. Wilson	101	—	18	=	83

* Winner of Cup and Pool.

MAY CUP.

* Mr. P. T. Ser	105	—	18	=	87
Mr. C. H. Gale	106	—	15	=	91

* Winner.

"CAN'T HUSTLE THE EAST."

Congressman D. L. D. Grange, of Rhode Island, discussing the Philippine tariff, said:—"We have tried the impossible, Mr. Chairman, we have tried to hurry the East; we have tried to turn into 'hustling' Yankees an Oriental race that had for three centuries been under the moulding hand of the slowest and most conservative country in Europe. Let our Commission go a little slowly out there; let them set their own house in order and cease to pay to Americans brought there with no knowledge of the islands or familiarity with Eastern colonial methods salaries three times those paid to educated Filipinos for the same work; let them cease to strive to make the little Filipinos cry for flannel petticoats and moral pocket handkerchiefs, and perhaps they may be able to run the islands somewhere near what it costs Great Britain for similar work, and then there will be no deficit from loss of import duties.

A SHANGHAI NATIVE CONSULTATIVE COMMITTEE.

A Native Consultative Committee has been formed at Shanghai. It is composed of seven persons elected by the committees of the various guilds. Mr. J. O. P. Bland, secretary of the Municipal Council, in acknowledging the letter sent to the Council notifying the election wrote:—"I am to state that the Council welcomes this organisation of so representative a body intended to express the opinions of the Chinese community of this Settlement, and has no doubt that the influence of the Guilds, thus represented, will be exercised in the best interests of the Settlement. In preventing misunderstandings of native public opinion on questions of general interests, and in expressing for the information of the Council the views of the Chinese community, your Consultative Committee will be doing excellent work, and may confidently rely on the Council's sympathetic consideration for its representations."

Commenting upon the appointment of a Native Consultative Committee at Shanghai, the N.C. Daily News remarks:—"It is readily to be seen that the Guilds attach much more importance to this innovation than the Council intended, and this is confirmed by the notice that offices have been taken where letters, etc., will be dealt with, and by the reported appointment to the Committee of foreign legal advisers. It is not at all improbable that the Chinese will be led to believe that foreigners have consented to the appointment of a Chinese Municipal Council to act concurrently with the Foreign Council, and there may be dissatisfaction and discontent when they find that this is not the case, which might have been avoided if the intended limitation of the Native Consultative Committee had been more clearly defined. We cannot understand why the Secretary of the Council did not emphatically protest in his letter of the 15th inst. against the term 'Executive Committee,' when one of the first stipulations must be that it is to have no executive capacity whatever. Mr. Bland uses the words 'your Executive Committee,' and this apparent admission may cause the Council trouble hereafter. The claim of the Committee to any executive power should have been firmly and promptly repudiated.

GREAT BRITAIN AND JAPAN.

The Nippon makes the following reference to the visit of Prince Arthur of Connaught:—"The Russo-Japanese war is over, and the negotiations with China have concluded, but the Japanese nation has still many causes for anxiety in connection with Manchuria and other matters. Great Britain, too, is passing through a period of growing uneasiness with regard to the security of her Indian Empire. That in both cases there are real grounds for anxiety must be apparent to all who have watched the recent attitude of Russia in north Manchuria and in the neighbourhood of Afghanistan. Under these circumstances, while it is not desirable that Japan and Great Britain should become too dependent on each other, there is good reason for providing for mutual defence by the strengthening of the Alliance. The visit of Prince Arthur is a good opportunity for rendering still closer the relations between the two Empires."

An extraordinary message from Tokyo to the N.C. Daily News says it is reported that Russia contemplates retaining her army in Manchuria on the ground that China is being encouraged by Japan to prepare for war with Russia. Russia is bound by the Portsmouth Treaty to withdraw her troops from Manchuria within 18 months of the ratification of the treaty. The condition of the troops and of Russia herself is such that she is anxious to find any pretext to delay their withdrawal. To break the treaty with Japan is an act of war, not only war with Japan, but war with Japan's ally, Great Britain, and it is difficult to believe that Russia can consider it safe to put forward the pretence that Japan is encouraging China to go to war with Russia.

CHINESE GUILF.

A BOGUS SECRET SOCIETY.

The Lims and the Tans were carpenters, and lived in a British Crown Colony. The elder Lim had three strong sons. The Tans were brothers and consins. A business dispute, angry words, and blows, followed by a Police Court case, in which some of the Tans were fined, led to a feud. The headman of the Tans hit upon a noble scheme of revenge. He "called unto him a scribe and bade him write as he thus dictated to him:—

THE SOCIETY OF THE RED HEART.

11 12 1 2 3 4 Moon

Lim Hock entrance fee									
\$5 paid 10" of 11"									
Moon	1	2	4	1	3	3			day
Lim Tye-soon 26" year									
of Kwang Soon	1	2	4	1	3	3			"
Wee Ho-swee monthly									
subscriptions \$2	4	1	3	2	4	5			"
Lim Hu-watt	1	3	5	3	4	4			"
Chua Li-fong	5	6	3	2	5	5			"
Kay Sang-ho	2	3	4	5	6	6			"

(here followed a list of the names of all the enemies of the house of Tan with entries opposite their names purporting to show the day of the Moon upon which the monthly subscription was paid.)

It took three days to complete this work of Art," and then the Tans held another family conclave. The younger wished to hide this incriminating document in the house of the Lims, and straightway give information to the police. The headman laughed at their crudity, and said, "Now hearken unto me. You know the widow Yeo Wee-neo, she who keeps a stall opposite the shop of Lim Hock, where she sells fruit. Let some wily son approach her so that she go with bruised arms and face and torn raiment to the police, and report a severe assault upon her by some members of the Red Heart Society, and, mind she is paid \$10 before and \$20 after the report. Five days after this I myself will go to the police and report that I have been assaulted by one Wee Ho-swee, because he asked me to join the Society of the Red Heart and I had refused to do so. And we shall be particular of the date, and the time of the assault, and of the circumstances thereof, so that our witnesses shall not be confounded by lawyers." One of the young men protested that there was no such person as Wee Ho-swee. "Oh, my son," he said, "thy brains run out as water through a straining basket. Thou art blind as a bat in the daylight. Knowest thou not that Wee Ho-swee, after assaulting me, absconded and cannot be found? Knowest thou not that none can deny my story, because there is no one who knows Wee Ho-swee (he not being in existence) and that we can tell with impunity any tale about the wicked Wee Ho-swee? Now go, and be thou also assaulted by a phantom, whose name alone appears in the book of the Red Heart Society. Thou mayest be assaulted even this day for thou art not a carpenter, and the first complaints must not come from carpenters lest the Magistrate say that we seek merely our own benefit." Then the wily old rascal showed his relatives how to bruise their arms with a brush, so that they bore external evidence of a cruel assault. For the next few weeks, the authorities had complaints innumerable, few by carpenters, but many by petty shopkeepers and women. The Lims were kept so busy answering these charges that they forgot their feud with the Tans, whose hands did not show in the matter. Then there was a wedding in their family, and many invitations were sent out. This was what the oldest Tan had waited for. It was easy to learn the date of the party, and they reported that date as the day set for a meeting of the Secret Society of the Red Heart. One of the Tans watched for the police raid, and snatched an opportunity to conceal the incriminating book. The police found it, and the Lims were imprisoned and banished. Thus were the Tans avenged, and thus did their carpentry business flourish because of the withdrawal of the Lims' competition.

We have obtained this story by adaptation from a much larger narrative of absorbing interest which appeared in the *Straits Times*.—Ed., "H.D.P."

CHINESE TROUBLE UNEXPECTED.

The same correspondent, we believe, who gave the *N.-C. Daily News* timely warning of the Boxer troubles, now writes that there is no cause for alarm. He says:—The news transmitted by Reuter that the American Government fear internal troubles in China this year and are therefore preparing for such an emergency is ridiculed in all well-informed Chinese circles whether official or mercantile. So far as can be seen the only internal troubles that need be feared in this country will be of a local nature, such as anti-Christian outbreaks, which cannot spread beyond the hsien, or district originating such outbreaks. Any national disorders are considered improbable. True, the extreme end of the so-called Reform Party, headed by such theorists as Kang Yü-wei, Liang Chi-chao, Dr. Sun Yat-sen, and the like, have been trying to foment an anti-dynastic revolution in China by means of the aid which they hope to procure from the Chinese in the United States, Australia, and islands of the Pacific and Indian Ocean, who are being inflamed against the present dynasty by these so-called Reformers, and their emissaries. Indeed, certain adventurous foreigners have even been engaged to act as officers and instructors of the proposed Revolutionary Army; but it will be found that, when put to the test, these anti-dynastic intriguants will show themselves too fond of their own precious bodies to put themselves into the least danger, for as good disciples of Confucius "to be filial sons" they dare not do anything to disfigure the symmetry of their persons, which have been given them by their parents, and shorten their usual height by a head, or give pain to their valuable carcasses, "because these carcasses were transmitted them by their fathers and mothers, and to pain them would be to pain their parents." Such being the case, it will only be those who are foolhardy enough to be the ignorant instruments of the so-called Reformers who will suffer, if ever any attempts be made to put matters to the test on Chinese soil. They will find that the country is quite satisfied with its present rulers and that those who have a true desire to bring about their country's progress—and they really are legion—are anxious to do so gradually, by educating the masses; in fact, to create a strong and wealthy and progressive Empire not by revolution but by evolution. Outsiders will soon enough see—we are writing from a full knowledge of facts—if any attempts are made to disturb the *status quo* that those desiring a change of dynasty are only a mere drop in the ocean of humanity which people this Empire of the dragon flag.

NEW STATUE AT SHANGHAI.

LI HUNG CHANG HONOURED.

The *N.-C. Daily News* reports an interesting and unique ceremony which took place at the Memorial Temple to the late Marquis Li Hung-chang on Sicawei Road, Shanghai, a few days ago. The statue, which was to be unveiled, was presented to the family of China's great statesman by Messrs. H. Mandl & Co., as agents for the famous Krupp Company of Essen. Among those present were representatives from several consulates, and most of the leading commercial houses, while it would be safe to say that few Chinese officials resident in Shanghai were absent. The guests on arrival were received by a guard of honour, consisting of two companies of Chinese soldiers which lined both sides of the approach to the temple. The assembled company gathered round the statue, which was hidden from view by a large red curtain.

Mr. Mandl, speaking in Chinese, said they were present for the unveiling of a statue of H. F. Li Hung-chang, Grand Secretary of the Wen Haa Throne Hall, Viceroy of Chihli, and Marquis of the first class. He was one of the principal makers of history in the East during the nineteenth century. Wherever he had done work special memorial temples had been erected by Imperial command, part of the funds being provided by the Government and part by voluntary contributions of the gentry and people. Europeans commemorated notable deeds by erecting statues of metal or stone so that future generations might look on them and gain

inspiration. The deeds of H. E. Li Hung-chang had been truly remarkable, and therefore he (Mr. Mandl) and his partners had asked Mr. Lang, of Munich, to cast this statue, which had now been brought thousands of li across the seas to China. It was placed in Shanghai, because that was the town where most foreigners and Chinese congregated, where many ships came, and where the railways had their termini. He and his partners had served H. E. Li Hung-chang for twenty years, and they felt grateful to him for his kindness. This statue was erected that future ages might know their gratitude to him, and all Europeans who know of his deeds would say that what had been done was right.

The statue is mounted on a granite pedestal, on which is a bronze plate with a Chinese inscription. The statue itself is of bronze, and is ten feet in height. It represents the veteran statesman in his official robes and hat, with a sword in his left hand. The sombreness of the bronze is relieved by the gilt with which the jacket is covered. It is an imposing piece of work, a worthy memorial of one of China's greatest men. H. E. Li Ching-mai, the son of the late Marquis, is going to America, which country he has been appointed

FLOATING ICE IN THE GULF OF PECHILI.

The *C. N. S. Liangchow*, reaching Shanghai from Chinwangtao a week ago, reported ice extending for 41 miles to the south of Chinwangtao and continuous rain and foggy weather approaching the Yangtze.

The *C. N. S. Shengking*, from Chinwangtao, reported:—Large quantities of field ice extending thirty miles from Chinwangtao, being broken with spaces four to five cables between, the remainder being as on the passage to the port previously. The ice has drifted about five miles to the seaward and seems to be thawing quickly. When we left there was the steamer *Peiping* disabled (broken shaft), being frozen in the ice. They had life-lines stretched from the ship to the shore and you could see the crew going backwards and forwards to the ship all day; there was also the *C. N. S. Shuntien*, with part cargo. We left Chefoo on Feb. 19th.

The *C. N. S. Kanchow*, also from Chinwangtao, reported:—Left Shanghai on Feb. 9th and on the 13th left Chefoo for Chinwangtao in a very heavy snowstorm. When 150 miles from Chefoo entered into a field of ice and heavy snow. The ship was stopped on several occasions owing to the thickness of the ice, it being in several places from 15 to 18 inches thick. In many places, also, the broken ice had built itself up to a height of about four feet. There were numerous seals on the ice, which made a great noise, especially when the vessel approached them. On two occasions the ship was brought to a standstill, it being all the engines could do to force a passage. Arrived off Chinwangtao harbour on the 14th and let go the anchor, the ship being frozen in all around in about ten minutes. On the 15th started to force a passage towards the wharf, going ahead and astern for a considerable time before an opening could be made. After our arrival at the wharf heavy snow came on, the ice having to be hove out by means of grappling irons. During our stay in Chinwangtao there were from 30 to 40 degrees of frost, the ships being all frozen in. Left Chinwangtao on Feb. 19th and had to break through the ice again.

Apparently in pursuance of the intention to secure uniformity in the national coinage the Board of Revenue has memorialized the Throne to the effect that from the 1st day of the 4th moon of this year all the mints for silver and copper in the various provinces shall be placed under the control of the Board of Revenue and that the mints for silver and copper coins in Honan, Kwangtung, Kiangnan, Fukien and Hupeh shall henceforth be called the Central, Eastern, Western, Southern and Northern mints of the Hupu. Mints in other places are to be made branch offices of the five main mints respectively, and all the profits and accounts will be examined from time to time by the Hupu which will have the sole control of all the mints in China.

COMPANY REPORTS

HONGKONG FIRE INSURANCE CO., LTD.

The report for presentation to the shareholders at the thirty-seventh ordinary general meeting on Wednesday, 7th March, reads:—
The general managers and consulting committee have pleasure in submitting to the shareholders the thirty-seventh annual report of the company.

Account.—This account shows a profit of \$20,417.66, which sum, subject to the approval of the shareholders, it is proposed to divide as follows, viz:—
Dividend of \$25 per share ... \$200,000.00
To reserve fund ... 20,417.66

1905 Account.—The balance at credit of this account is \$422,618.04.

Mortgages.—From the reports and valuations made by the Company's surveyors, the general managers and consulting committee are satisfied that the properties held by the Company form ample security for the advances made.

Consulting Committee.—In accordance with section 13 of the articles of association, the present members of the committee, the Hon. Sir Paul Chater, C.M.G., Messrs. Maitland and Raymond retire, but, being eligible, offer themselves for re-election.

Auditors.—The accounts have been audited by Messrs. W. H. Potts and A. O'D. Gouldin and their re-election as auditors by the Company is recommended.

JARDINE, MATHESON & Co,
General Managers.

BALANCE SHEET, DECEMBER 31ST, 1905.

Liabilities.	
Capital subscribed ... \$2,000,000.00	
Amount paid-up ... \$ 400,000.00	
Reserve fund ... 1,205,107.70	
Uncollected dividends ... 8,010.30	
Accounts payable ... 96,834.10	
Working account, 1904.—Net profit ... 22,417.66	
Working account, 1905.—Amount brought forward from below ... 422,618.04	
	\$2,848,390.80

Assets.	
Cash, on current acct. with Hongkong and Shanghai Banking Corporation ... \$ 131,901.84	
Cash in hands of general managers ... 1,448.37	
Fixed deposits,—	
H'kong and Shanghai Banking C'p'n ... \$50,000.00	
Char'd. Bk. of India, Aust. and China ... 50,000.00	
Mercantile Bank of India, Limited ... 25,000.00	
	125,000.00

Mortgages,—	
In Hongkong ... \$1,184,000.00	
In Shanghai ... 452,361.51	
In Yokohama ... 25,725.39	
	1,662,086.90

Japanese Government deposit,—	
Consolidation bonds ... \$26,000.00	
Imperial bonds ... 61,200.00	
War bonds ... 24,000.00	
	111,200.00

Investments,—	
Chinese Imperial Government loan, 1886 ... \$25,863.07	
Shanghai Land Investment Company, Ltd., debentures ... 27,586.20	
S'hai Club debentures ... 9,333.33	
Hongkong Hotel Co., Ltd., debentures ... 52,000.00	
	114,882.60

Steam fire engines ... 500.00	
Accounts receivable ... 201,371.09	
	\$2,848,390.80

WORKING ACCOUNT, 1904.

To losses and claims paid ... \$214,701.94	
To charges ... 34,709.53	
To remuneration to Consulting Committee and auditors ... 5,500.00	

To commissions ... 45,349.47	
To exchange ... 276.13	
To balance as above ... 220,417.66	
	\$720,954.73

By net premia received, less returns and reinsurances ... \$380,133.34	
By interest ... 140,775.39	
By transfer fees ... 46.00	
	\$520,954.73

WORKING ACCOUNT, 1905.

To losses and claims paid ... \$ 53,981.27	
To charges ... 30,996.63	
To commissions ... 47,581.32	
To exchange ... 4,346.74	
To balance as above ... 422,618.04	
	\$559,524.09

By net premia received, less returns and reinsurances ... \$411,531.07	
By interest ... 147,892.93	
By transfer fees ... 80.00	
	\$559,524.00

HONGKONG AND KOWLOON WHARF AND GODOWN CO., LD.

The report for presentation to shareholders at the nineteenth ordinary annual meeting, to be held at the City Hall on Monday, 12th March, 1906, is as follows:—

The directors have now to submit to shareholders their report with a statement of accounts for the year ended 31st December, 1905.

Accounts. The profit on working was \$390,753.10 as compared with \$326,740.84 in 1904, being an increase of \$64,012.26.

The balance at credit of Profit and Loss account, after paying interim dividend of 5 per cent. and including \$29,422.92 brought forward from last year, is \$580,130.39 which it is proposed to appropriate as follows:—

Directors' and Auditors' fees ... \$10,500.00	
Final dividend of 7 per cent. ... 139,520.50	
Transfer to depreciation and repairs account ... 50,000.00	
Transfer to Reserve Fund ... 300,000.00	
Transfer to Insurance Fund ... 10,000.00	
Write off Wharves ... 12,283.15	
Write off Railways and Rolling stock ... 8,046.83	
Write off Launches ... 6,000.00	
Write off Lighters ... 18,839.38	
Write off Machinery and Plant ... 4,900.43	
Carry forward to new account ... 20,040.05	
	\$580,130.39

Business.—On 1st January, 1905, the Company's Yarn storage business, formerly conducted at Wanchai, was transferred to Kowloon. Business generally throughout the year was restricted in consequence of the financial position of the Chinese.

Capital.—Of the 10,000 new shares authorised on 22nd September, 1904, 9,863 were taken up.

Property.—The Company acquired K. M. L. 4-5 (having an area of 52,317 feet) for \$211,366.90 including the buildings thereon, which latter it is proposed to utilize as offices. The exchange of land with Government referred to in last report is progressing.

Wharves.—The new ferry pier opposite Salisbury Road and three small wharves opposite the Yarn godowns, have been completed. West Point wharf has been thoroughly repaired.

Buildings.—No. 9 godown (rebuilt) was completed in June, and Nos. 30-31 (for hazardous goods) in March. Nos. 4-5 (old are being replaced by a large double storied godown. Fire proof walls have been built across godowns Nos. 1-2, 4-5 (new) and 20-21. New workshops and storerooms are in course of erection behind the godowns.

Railways.—Additional lines of rail have been laid and other alterations made with a view to keeping pace with the rapid working appliances with which modern vessels are now equipped.

Launches.—The Government tug *Praya* (renamed *Cormorant*) was purchased, and when fitted with new boiler, &c. will be a cheap and useful acquisition.

Lighters.—Six new open lighters (European style) were built during the year and twelve more are in course of construction by the Hongkong and Whampoa Dock Co.

Machinery and Plant.—All the godowns are now provided with portable Fire Engines. Four steam cranes, four crab winches, one cargo elevator, and a second hand dredger with hopper barge were acquired during the year.

An electric light installation throughout the premises has been partially completed.

Directors.—Mr. E. S. Whealler, Mr. E. A. Hewett and Mr. H. Schubart resigned and their places were taken by Mr. G. H. Medhurst, Mr. L. S. Lewis and Mr. C. R. Lenzmann respectively. Mr. L. S. Lewis later on resigned and his place was taken by Mr. E. A. Hewett.

The appointments of Messrs. Medhurst, Lewis, Hewett and Lenzmann require confirmation.

Messrs. E. A. Hewett and A. J. Raymond retire in rotation, according to the Articles of Association, but being eligible, offer themselves for re-election.

Auditors.—Messrs. W. H. Potts and A. O'D. Gouldin have audited the accounts now presented and offer themselves for re-election.

C. W. DICKSON.

Chairman.

Hongkong, 28th February, 1906.

BALANCE SHEET.

December 31st, 1905.

Liabilities.	
To capital 40,000 fully paid up shares at \$5 ... \$2,000,000	
Less 137 shares not issued ... 6,850	
	\$1,993,150.00
To estate of G. Sharp (deceased) mortgage ... 156,951.00	
To reserve fund ... 550,000.00	
To insurance fund ... 20,000.00	
To Hongkong and S'hai Banking C'p'n ... 733,811.47	
To depreciation and repairs account ... 65,160.86	
To unclaimed dividends ... 5,256.50	
To account payable ... 234,348.11	
To directors' and auditors' fees ... 10,500.00	
To Final dividend ... 139,520.50	
To profit and loss account, balance ... 2,040.05	
	\$3,928,738.49

Assets.	
By value of land and buildings at Kowloon as per last account ... \$2,621,646.86	
By cost of land and buildings since acquired ... 211,366.90	
Since expended on new buildings ... 229,049.52	
	\$3,062,063.28
By value of wharves at Kowloon as per last account ... 80,000.00	
Since expended on new wharves ... 42,283.15	
	122,283.15
Less written off ... 12,283.15	
	110,000.00

By value of railways and rolling stock at Kowloon as per last account ... 60,000.00	
Since expended on new rails, &c. ... 8,046.83	
	68,046.83
Less written off ... 8,046.83	
	60,000.00

By value of launches as per last account ... 26,000.00	
Since expended on new launch ... 2,000.00	
	28,000.00

Less written off ... 8,000.00	
	20,000.00

By value of lighters as per last account ... 100,000.00	
Since expended on new lighters ... 2,000.00	
	102,000.00

Less written off ... 2,000.00	
	100,000.00

By value of machinery and plant as per last account since expended on new machinery, &c. ... 30,000.00	
	30,000.00

By value of sheer legs as per last account ... 3,000.00	
By value of land and buildings Point as per last account ... 263,141.89	
By sundry debtors ... 161,397.10	
By H'kong & Shanghai Bank (dividends) ... 5,256.50	
By cash on hand ... 631.13	
By value of coal on hand ... 9,496.87	
By value of timber, iron and hand ... 33,818.73	
	\$3,928,738.49

PROFIT AND LOSS ACCOUNT.

Dr.	\$	c.
To interest	38,046.63	
To interim dividend	9,112.59	
To balance appropriated as follows:—		
Directors' and auditors' fees	\$10,500.00	
Final dividend	139,520.50	
Transfer to depreciation and repairs account	50,000.00	
Transfer to reserve fund	300,000.00	
Transfer to insurance fund	10,000.00	
Amount written off:—		
Wharves	12,283.15	
Railways and rolling stock	8,046.83	
Launches	6,090.00	
Lighters	18,339.38	
Machinery and plant	4,800.18	
Amount carried to new account	2,040.05	
	<u>530,130.39</u>	

\$717,275.52

Cr.	\$	c.
By balance from last account	29,421.92	
By net earnings for 1905	390,753.10	
By unclaimed dividends forfeited	831.00	
By transfer fees	293.00	
By premium on 9,853 shares at \$31	295,890.05	
By additional premium on unallotted shares sold by Company	87.50	
	<u>\$717,275.52</u>	

DEPRECIATION AND REPAIRS ACCOUNT

Dr.	\$	c.
To repairs, renewals and improvements during 1905	43,261.61	
To balance	65,160.86	
	<u>\$108,423.47</u>	

Cr.	\$	c.
By balance from last account	58,423.47	
By transfer from profit and loss account	5,000.00	
	<u>\$108,423.47</u>	

RESERVE FUND.

Dr.	\$	c.
To balance	550,000.00	
	<u>560,000.00</u>	

Cr.	\$	c.
By balance from last account	250,000.00	
By transfer from profit and loss account	310,000.00	
	<u>\$560,000.00</u>	

INSURANCE FUND.

Dr.	\$	c.
To balance	\$20,000.00	
	<u>\$20,000.00</u>	

Cr.	\$	c.
By balance from last account	\$10,000.00	
By transfer from profit and loss account	10,000.00	
	<u>\$20,000.00</u>	

GEO. FENWICK & CO., LTD.

The report for presentation to the shareholders at the 17th ordinary general meeting to be held at the Hongkong Hotel on Saturday, 10th March, is as follows:—

The Directors have now to submit to the shareholders a statement of accounts for the year ending 31st December, 1905.

After writing off for depreciation \$6,677.83, the net profit for the year amounts to \$18,288.17, to which has to be added \$8,577.67 brought forward from last year's account. After payment of Directors' and auditors' fees it is proposed to pay a dividend of 8 per cent. on the old shares, and on the new shares on the new shares, issued last, absorbing \$16,800. The balance of \$15.84 to be carried forward to next year's account.

The report on the North Point is now nearly completed. The question of further progress is receiving the careful consideration of your Directors.

Director Wm. Parlone, according to the articles of association, but offers himself for re-election.

Auditor Mr. Thos. who offers himself for re-election.

A. RODGER,

Chairman.

STATEMENT OF ACCOUNT FOR THE 12 MONTHS ENDING 31ST DECEMBER, 1905.

Assets.	\$	c.
Value of last year's buildings, as per last report	\$70,000.00	
Cost of site and works at North Point	180,892.45	

Cost of steel wharf at North Point, to date	4,930.79
Value of Machinery, Plant, Launches and office furniture, as per last report	\$58,191.00
Added during the year	3,631.17
	<u>\$61,822.87</u>

Sold during the year 7,150.99

Written off for depreciation 3,548.74

Value of stock in trade as per stock list \$99,785.34

Written off for depreciation 3,128.79

Value of work in progress 1,087.18

Cash on hand 1,935.48

Cash with the Hongkong and Shanghai Banking Corporation, current a/c 12,928.57

Cash with the Chartered Bank of India, Australia and China 123.87

Cash with the National Bank of China, Ltd. 218.93

Cost of 1 Union Insurance Society of Canton's share 245.00

Sundry debtors 16,850.62

\$46,492.58

LIABILITIES.

Capital, \$450,000, viz., 6,000 old shares of \$25 ea. \$150,000 12,000 new shares of \$25 ea. 300,000

\$450,000

Less 72,000 shares unissued. 180,000

Balance, 10,800 shares paid up \$270,000.00

Reserve fund 70,000.00

H'kong and Shanghai Banking Corporation loan a/c (secured by mortgages) 65,753.20

Sundry creditors 3,873.54

Balance of profit and loss account 26,865.84

\$436,492.58

PROFIT AND LOSS ACCOUNT.

To cost of labour, material and working expenses	\$88,680.50
To salaries	16,510.00
To crown rent and taxes	1,264.20
To interest	113.11
To depreciation	6,677.53
To balance, profit appropriated as under:—	
Dividend of 8 per cent. on 6,000 old shares	\$12,000.00
Dividend of 8 per cent. on 4,800 new shares for six months	4,800.00
Directors' fees	1,000.00
Auditor's fee	150.00
Balance to new account	8,915.84
	<u>26,865.84</u>

\$140,111.18

By balance of last year's account \$8,577.67

By gross earning 131,454.34

By transfer fees 25.00

By bonus from Insurance Co. 14.17

By dividend, Union Insurance Society of Canton's share 40.00

\$140,111.18

HONGKONG ROPE MANUFACTURING COMPANY, LIMITED.

The report of the directors for the year 1905 is as follows:—

Annexed we have the pleasure to lay before shareholders the annual statement of accounts made up to the 31st December, 1905.

The net profit, including the balance brought forward from last year amounts to \$96,813.29, which it is proposed to appropriate as follows:—

To place to reserve fund \$1,000.00
To pay a dividend of 18 per cent. 90,000.00
To carry forward to the credit of next year's account 5,813.29

The result is not as good as that of the previous year's work owing to a falling off in the demand locally and to the continued high price of Manila Hemp.

Consulting Committee.—In accordance with the Articles of Association Messrs. A. J. Raymond, D. E. Brown, H. P. White and Dr.

J. W. Noble retire, but offer themselves for re-election.

Auditors—The accounts have been audited by Messrs. T. Arnold and W. H. Potts, who are recommended for re-election.

HEWAN, TOMES & CO.
General Managers.

PROFIT AND LOSS ACCOUNT.

Interest	\$2,116.16
Auditors' fees	400.00
Consulting Committee fees	400.00
Amount written off as depreciation for 1905	1,000.00
Balance	<u>\$3,916.16</u>

Balance brought forward from 1904 \$118,220.45

Exchange 118,220.45

Balance from working account \$118,220.45

BALANCE SHEET.

Liabilities.

Capital:—	
10,000 shares at \$50 fully paid up	\$500,000.00
Reserve fund	60,000.00
Sundry creditors	32,888.21
Company's bankers	8,684.02
Balance of profit and loss account	96,813.29
	<u>\$697,883.52</u>

Assets.

Land, factory, machinery, &c.
as per last statement \$236,000
Less depreciation 14,500

\$221,500.00

Rope, hemp, &c., in factory, valued at 133,467.49

Rope on consignment, valued at 151,247.00

Fire insurance premia for 1906 1,411.11

Sundry debtors 138,216.14

Cash in hand 1,591.78

Cash at factory 50.00

Investment of reserve fund:

3,800 shares in the China

Provident Loan & Mortgage Co., Ltd. at \$8 30,400

2,500 shares in the China

Light and Power Co.,

Limited, at \$8 20,000

50,400.00

\$697,883.52

THE HONGKONG HOTEL COMPANY, LIMITED.

The report of the board of directors to be presented at the ordinary meeting of shareholders on Saturday, March 3rd, is as follows:—

Gentlemen,—In accordance with section 56 of the articles of association, the directors now beg to submit their report for the half-year ended 31st December, 1905.

ACCOUNTS.

The profit on working account amounted to \$58,202.45 as compared with \$89,326.25 for the corresponding period of 1904, being a decrease of \$31,123.80.

The profit and loss account, including the sum of \$10,126.40 brought forward from 30th June, 1905, shows a credit balance of \$65,249.40, which the directors recommend should be apportioned as follows:—

To pay a dividend of 8 per cent. for the half-year \$48,000.00

To transfer to repairs and renewals account 10,000.00

To write off from value of electric plant 6,629.51

To carry forward to new account 619.89

\$65,249.40

BUSINESS.

Bar custom shows a heavy falling off, and is solely responsible for the decrease in receipts. Other sources of revenue have been well maintained.

HOTEL MANSIONS.

This building was completed on 16th August, 1905.

DIRECTORS.

Mr. W. H. Potts retires by rotation, but offers himself for re-election.

AUDIT.

The accounts have been audited by Messrs. U. Jeffries and A. R. Lowe, C.A., who offer themselves for re-election.

EDWARD OSBORNE,
Chairman.

BALANCE SHEET.
31st December, 1905.

LIABILITIES.	\$	c.
Capital—		
12,000 shares at \$50 each (fully paid up)	600,000.00	
1,000 mortgage debentures \$ c.		
(6 per cent.)	500,000.00	
Less 216 mortgage held by the company	108,000.00	
	392,000.00	
Reserve fund	648,975.78	
Sundry creditors	45,637.81	
Unclaimed dividends	1,695.00	
Hongkong and Shanghai Banking Corporation (current account)	205,588.17	
Repairs and renewals, balance as per statement	20,071.19	
Profit and loss account, balance as per statement	65,249.40	
	\$1,979,217.35	

ASSETS.

\$	c.
Value of marine lot No. 5 and remaining portion of marine lot No. 3 and remaining portion of marine lot No. 7	1,065,380.00
Praya reclamation (marine lot No. 288)	246,140.00
Building thereon "Hotel Mansions," payments on account to date	331,510.90
Cost of three Chinese houses on sections B, C and D of inland lot No. 80	33,000.00
Cost of Kowloon farm lot No. 3, section A	30,260.00
Furniture and fixtures, as per last account	65,117.14
Since added	22,890.67
	88,007.85
Installation of electric light, as per last account	30,055.40
Loss written off, as per last report	5,000.00
	25,555.40
Since added	1,574.11
	26,609.51
Stock of linen, crockery and glassware, &c.	46,278.25
Stock of wine, provisions, household sundries and stationery as per inventories	48,241.41
Shares in public companies	5,796.31
Licences attaching to half year to 30th June, 1906	2,660.01
Fire insurance, unexpired premium	1,177.38
Value of steam launch	5,000.00
Sundry debtors	46,645.68
Hongkong and Shanghai Banking Corporation (unclaimed dividend account)	1,695.00
Cash in hand	127.55
	\$1,979,217.35

PROFIT AND LOSS ACCOUNT.

For the six months ending 31st December, 1905.

Dr.	\$	c.
To bad debts and refunds	556.22	
To Crown rent	502.40	
To rates	3,130.40	
To fire insurance	2,988.42	
To debenture installation on \$500,000 at 3 per cent. =	15,000.00	
To loss returned on debentures held by the company	3,624.66	
	11,375.34	
To interest account	5,395.68	
To directors' and auditors' fees	3,200.00	
Balance, to be appropriated as follows:		
To pay a dividend of 8 per cent. =	48,000.00	
To transfer to repairs and renewals account	10,000.00	
To write off value of electric installation	6,629.51	
To carry forward to new account	619.89	
	65,249.40	
	\$92,397.86	

Cr.	\$	c.
By balance from 30th June, 1905	105,126.40	
Less dividend at 10 per cent. =	60,000.00	
Less transfer to repairs and renewals account	30,000.00	
Less written off from value of electric installation	5,000.00	
	95,000.00	
By rents of shops and offices, old building	7,960.00	
By rents of shops and offices, new building	2,501.00	
By rents of shops and offices, hotel mansions	13,070.21	
	23,531.21	
By dividends on shares in public companies	490.00	
By scrip and transfer fees	31.00	

By bad debts recovered	7.80
By profit on hotel working account for the six months ending 31st December, 1905	58,202.40
	\$92,397.86

REPAIRS AND RENEWALS ACCOUNT.

For the six months ending 31st December, 1905.

Dr.	\$	c.
To payments on account of repairs and renewals during the half-year ending 31st December, 1905	11,736.73	
By balance	20,071.19	
	\$31,807.92	
Cr.	\$	c.
By balance from last account	1,807.92	
By amount transferred from profit and loss account, as recommended in last report	30,000.00	
	\$31,807.92	

DIVIDENDS.

The following dividend announcements are from the N.C. Daily News:—

The report for 1905 of the Shanghai Gas Co., Ltd., whose capital is Tls. 800,000, shows a divisible balance, after the payment in July last of an interim dividend of 7 per cent., of Tls. 148,263. It is proposed to pay a final dividend of 7 per cent., making 14 per cent for the year, and a bonus of 3 per cent., to write off Tls. 37,346 for depreciation, to place the sum of Tls. 20,000 to depreciation and renewals account, raising this account to Tls. 165,000, in addition to which there is a share premium account amounting to Tls. 242,232, and to carry forward the balance, Tls. 11,018.

At a meeting of the directors of the Shanghai-Sumatra Tobacco Co., Ltd., held on the 21st inst., it was decided to recommend that at the approaching annual meeting, a dividend of 15 per cent., making 25 per cent. for the year, should be declared.

At a meeting of the directors of the Shanghai Tug and Lighter Co., Ltd., held at the office of the agents, yesterday, it was recommended to pay a final dividend for the year 1905 of 3½ per cent. on preference shares and 6 per cent. on ordinary shares.

The Hokkaido Colliery and Railway Co. pays a dividend for the latter half of 1905 at the rate of 15 per cent. per annum, puts ¥96,000 to reserve, and carries forward ¥519,827.

The report of the Shanghai Land Investment Co., Ltd., whose paid up capital is Tls. 2,600,000, for 1905, shows a divisible balance, after deducting the interim dividend of 6 per cent. paid in July last, of Tls. 248,875. It is proposed to pay a final dividend of 6 per cent., making 12 per cent. for the year, to put Tls. 40,680 to reserve, and carry forward the balance, Tls. 52,195.

The profit and loss account and balance sheet of the Osaka Shosen Kaisha, Limited, for the half year ending 31st December, 1905, has just been issued. A net profit of ¥146,537 is shown on the six months' working after ¥803,000 has been carried over to the reserve and depreciation funds.

SINGAPORE HARBOUR SCHEME.

The Legislative Council of the Straits Settlements discussed last Friday proposals for the improvement of Singapore harbour. The Acting Colonial Secretary moved "That this Council approves the acceptance of the tender of Sir John Jackson, Limited, for the construction for a sum of £1,030,693 of the works for the improvement of Singapore Harbour as proposed in the report of Messrs. Coode, Son and Mathews dated the 15th February, 1904, excluding the South and East Moles, as recommended by the Consulting Engineers in the telegram from the Crown Agents for the Colonies dated 13th February, 1906, printed as Council Paper No. 6 of 1906, the depth alongside the quay to be 18 feet admitting of a depth of 20 feet hereafter by further dredging and on the understanding that the contractor agrees to construct the two outer protection moles if required by the Colonial Government within two years from the acceptance of the tender."

The debate was adjourned.

COMPANY MEETINGS.

HONGKONG AND SHANGHAI BANKING CORPORATION.

At the eighty-first ordinary half-yearly meeting of shareholders in the Hongkong and Shanghai Banking Corporation held at the City Hall at noon on Feb. 24th, Mr. H. W. Slade presided. There were also present—Hon. Mr. R. Shewan, Hon. Mr. C. W. Dickson, Messrs. A. Haupt, E. Goetz, C. R. Lensmann, N. A. Siebs, G. H. Medhurst, F. Salinger, E. Shellim (Directors), J. E. M. Smith (Chief Manager), Hon. Mr. Gershom Stewart, Messrs. J. A. Jupp, W. H. Gaskell, G. Murray Bain, S. Hancock, H. E. R. Hunter, A. G. Morris, J. C. Peter, Dr. Noble, C. W. May, H. N. Mody, N. J. Stabb, Captain Tillet, H. M. H. Nemazeo, H. W. Fraser, Ho Fook, J. J. Leiria, J. Barton, C. E. Anton, R. R. Hynd, L. Berindoague, F. A. Gomes, B. Layton, Ho Kom-tong, W. S. Jackson, Wong Leung-hui, J. A. Chinoy, J. MacArthur, W. Lysaught, A. R. Lowe, J. R. Michael, J. Orange, C. H. Regga, A. Rodger, E. Kadoorie, Capt. Goddard, W. H. Wickham, A. Forbes, W. H. Purcell, Lo Choung-shui, Cheung Pui-kai, H. S. Michael, C. H. Thompson, E. S. Kadoorie, D. Forbes, J. M. S. Alves, A. V. Apcar, H. Schroeter, S. A. Levy and C. J. Gonsalves.

The notice convening the meeting and the report having been read, the CHAIRMAN said:—Gentlemen,—The report which I have read on the half-year's working of the Bank is no exception to the favourable statements your directors have had the pleasure of laying before you for many years past, and I think there is no doubt it will meet with your approval. I hope that the proposed distribution of profits will also prove satisfactory to you. We recommend the addition of \$10 lacs to silver reserve. In June last we increased the dividend from £1. 10/- to £1. 15/-, and I am glad to say that so far results have warranted that step. We are able to again propose a dividend of £1. 15/- and also a bonus of £1, making a distribution of £4. 10/- per share for the year. As regards the amount of the bonus, while circumstances have again been exceptionally favourable I feel that I must repeat the caution uttered by my predecessor in the chair to the effect that the £1 bonus should not be looked upon as a recurring certainty; more especially in view of the fact that we have since added 10/- a year to the ordinary dividend. It is only fitting that I should say at once that the thanks of shareholders are due to our managers, agents and staff generally, and I am sure you will approve of our action in voting them a bonus of 15 per cent. on their salaries. Turning to the balance sheet you will find that our note circulation shows an increase of \$30 lacs compared with the figures on 30th June last, while silver current accounts are some \$60 lacs less, reflecting the usual demand for money at the end of the year. The withdrawal of some of the local funds temporarily lodged with us in London, accounts for the decrease in gold current accounts. Deposits in gold remain practically unchanged, while silver deposits show an increase of \$25 lacs. Outstandings under the heading of bills payable are \$12 lacs less than six months ago. On the other side of the account you will see that we are in a very strong cash position. Coin lodged with the Hongkong Government against excess note issue has risen from \$8,500,000 to \$10,000,000, our cash shows an increase of \$30 lacs, and we have about \$11 lacs more bullion in hand and in transit. These increases are mainly accounted for by the expansion in our note issue already referred to, and by the preparations made for the usual requirements of trade at this period of the year. Indian Government Rupee paper, and Consols, Colonial and other securities, stand at \$11,334,370.38 against \$13,954,590.64 on June 30th. Sterling Reserve Fund investments remain unchanged. Current exchange is now over 2/-, the rate at which our gold reserve appears in the balance sheet, but any difference on that account is more than counter-balanced by the price at which the sterling investments stand in our books as compared with their market value. Bills receivable are lower by about \$13,000,000 and there is a similar reduction in bills discounted,

loans and credits. The dollar totals shown in the balance sheet, although higher than a year ago, are less than on June 30th; this, however, is accounted for to a large extent by the rise in the price of silver and the consequent higher level of exchange. The confident expectation that a revival of trade in the Far East would result immediately upon the conclusion of peace between Japan and Russia has not been altogether fulfilled, but though more slowly than was at first anticipated, yet surely the signs of renewed activity appear. With reference more particularly to the region directly affected by the war it is noteworthy that an agreement has been arrived at between Japan and China which, if interpreted in a wise and statesman-like spirit, should eventually secure for all the great commercial nations interest in the obvious benefit of the maintenance of the open door in Manchuria and equal trading opportunities for all, thus realising the aim which has been so steadily advocated from this chair for many years. We must not forget that it takes considerable time to move large bodies of troops, and this operation has involved the requisitioning of all available means of inland transport, preventing the free distribution of merchandise to the various markets in Manchuria. Notwithstanding those difficulties, however, a considerable business has been done and there seems every reason to expect that on the opening of the Northern ports and with transport available throughout the country, we shall see a greater demand for foreign manufactures and the opening of new and more extended markets in this large and important province. Gentlemen, the Bank continues to improve its position; we have made a good start for the present half year, and I think you may safely look forward with confidence to the future. If any shareholder wishes to put any questions I shall be pleased to answer them.

No questions being asked, the CHAIRMAN moved the adoption of the report and accounts.

Mr. JURY—I have much pleasure in seconding the adoption of the report and statement of accounts. I feel I am only voicing the sentiments of all shareholders present in congratulating the Directors, the Chief Manager and staff on the splendid results they are again able to place before us. The bonus of 15 per cent. of their salaries voted to the staff, I am confident, meets with the very hearty approval of all shareholders (applause). As regards the dividend and bonus proposed to be distributed we have also good reason to be pleased to see a gradual increase of returns to shareholders. We are all relieved, I am sure, that the terrible war which raged for eighteen months in this part of the world is now a thing of the past and that a revival in trade is beginning to be apparent. The strong position attained by the Bank should, I think, be a source of congratulation and pride not only to its shareholders but to the whole Colony. The Colony and the Corporation have grown up together so to speak and each has contributed to the growth of the other. I cannot, I think, do better, therefore, than conclude these few remarks with the wish that they may long continue to thrive and flourish to their mutual benefit and advantage and to the good of us all.

The motion was carried.

Mr. THOMPSON moved that Mr. C. R. Lenzmann be appointed to the Board of Directors; also that Messrs. H. W. Slade, E. Shellim and E. Goetz be re-elected.

Mr. ROGGE seconded and the motion was carried.

Mr. HANCOCK moved, and Captain FILLETT seconded, the re-appointment of Messrs. W. H. Potts and A. G. Wood as auditors. Carried.

The CHAIRMAN—That concludes the business, gentlemen. Dividend warrants will be ready on Monday.

Dr. NOBLE said:—Gentlemen,—Before we part, I would like to ask you to join with me in a hearty vote of thanks to the Court of Directors, the Chief Manager, managers and staff, all of whom have laboured diligently and faithfully on our behalf. They are each and all deserving of the greatest praise for the able manner in which they have managed the enormous funds entrusted to their care, and the results produced as shown in the accounts just submitted to and passed by you. As each report is issued I always remark that I cannot imagine how on earth they contain such a standard of

excellence. But they do. I, therefore, propose a vote of thanks to the Court, the able managers and staff generally (applause).

On behalf of the concerned, the CHAIRMAN briefly returned thanks and the meeting ended.

GREEN ISLAND CEMENT CO.

The seventh ordinary general meeting of the shareholders in the Green Island Cement Company, Limited, was held on Feb. 24th forenoon at the office of the general managers, Messrs. Shewan, Tomes & Co. The Hon. Mr. R. Shewan presided, and the others present were—Sir Paul Chater, Dr. J. W. Noble, Hon. Mr. C. W. Dickson (directors), Captain Clarke, Messrs. A. Denison, E. J. Moses, G. J. B. Sayer, Captain Goddard, A. Babington, J. R. Michael, W. Parlance, H. F. Carmichael, S. Somerville, A. Roza, G. Murray Bain, and W. S. Jackson.

The CHAIRMAN said—Gentlemen,—The Report and Accounts for 1905 were issued on 9th instant and we will therefore with your permission take them as read now. As we anticipated at last year's meeting we have done still better than before, and the accounts show a gross profit on working of \$498,834.00 as against \$444,094.00 last year, the net amount available for appropriation, after deducting interest and sundry charges and allowing for depreciation, being \$437,219.87. Out of this we propose to place \$10,000 to Reserve Fund, and pay a dividend of \$2.00 per share and a bonus dividend of 50 cents, absorbing \$875,000, leaving \$52,219.87 to be carried forward to the credit of next year's account. As it was represented to us by influential shareholders that a larger dividend than that of last year, viz., \$2.00 was expected, and as we are anxious to meet the views of shareholders though at the same time we are averse to increasing the usual rate of dividend until we feel more confident of maintaining it at the increased figure, we recommend an extra bonus dividend of 50 cents per share on this occasion, which we hope will be approved by all shareholders. As good provision has been made for depreciation, and as the Reserve Fund is invested in the business of the Company itself, and is not a reserve in the true sense of the word, we recommend placing only \$10,000 to the credit of that fund, which will then amount to \$910,000. Throughout the year the demand for our cement was very good, and we had no difficulty in disposing of all we turned out. The full benefit of our new rotary kilns was not, however, received, as after their installation much time was necessarily consumed in training our workmen, and accustoming them to the new condition of things. I am pleased to say that these kilns now promise to exceed our highest anticipations. So much for the Profit and Loss Account. Referring to the balance sheet you will have no doubt noticed the large stocks principally of raw material that we are carrying. I can only assure you that this is absolutely necessary. Your General Managers lay great stress on the advisability of keeping these stocks, and would make them even larger if possible, as with our continually increasing output, even now, they are by no means large in proportion to the consumption. They are all valued at actual cost, and no credit has been taken for any profit on manufactured cement. As you will see from the figures a great deal of money is tied up in these stocks, and so, in spite of the last increase of capital, we still owe \$250,000 to our bankers. The other items in the balance sheet are comparatively trifling, and I do not think require any explanation. I now come to another point which has been raised. We have been urged by some of our largest shareholders to pay an interim dividend half-yearly, but it seems to us that it would be hardly right to do this, so long as we have to go to our bankers for the money. The payment of this dividend will increase the present overdraft considerably, so, if we are to wait for interim dividends until we have funds in hand, we may have to wait some time. The only way we can meet the wishes of these shareholders is to raise more capital, and it is proposed that we should issue a further 50,000 shares at par, which will bring in \$500,000, and raise the capital to \$2,000,000. We cannot expect to always run on borrowed money, and \$2,000,000 is not a large capital for the business we are doing.

On the contrary you must not run away with the idea that such works as ours could be built with a capital of even \$2,000,000, for to that you must add \$800,000 of original capital written off and the \$900,000 at reserve, which is really capital. So that to duplicate factories such as ours to-day would take at least \$4,000,000, if not more, and years of experience into the bargain to run the business. Of course this proposed increase of capital must be dealt with at a special meeting, of which due notice will be given, and it will be then for shareholders to decide whether they are in favour of it or not. We might have followed the previous course, and issued the shares at a premium, but shareholders appeared to be opposed to this, and as the five lacs seems to be about all we shall need we recommend leaving the shares at par. The new shares will of course rank equally with the old shares for dividend, and to save time and trouble to all concerned it is proposed to make one call only of \$10 due on 31st July next. As regards the future it is impossible to make a forecast; the brightest feature in our favour is that the use of Portland cement (for you must not forget that ours is true Portland cement) has increased, and is increasing all over the world. Coal too which has been very high during the year has fallen somewhat in price, but on the other hand the present high rate of exchange is against us, and then too our two best and largest local contracts are rapidly running out. However, railways in China have brought us some business, and will, we hope, bring us a good deal more. There is nothing more that occurs to me as useful to add except that I should like to put on record your General Managers' appreciation of the loyal and hearty support they have received from the Manager, Mr. Uldall, his deputy, Mr. Hewitt, and all the staff at both factories in a very busy year (applause).

The CHAIRMAN—If there are no questions, I will move the adoption of the report and accounts.

Mr. MICHAEL—You dilated just now upon the increase of capital. Some of the shareholders are opposed to it; just as a matter of principle I ask you if these are to be issued at \$10 and will participate in the dividend of 20 per cent., would it not have been better to borrow money at 6 per cent. and give the shareholders the benefit of the difference? That is from the general managers' points of view.

The CHAIRMAN—It would certainly be better if you could depend on getting money at six per cent.

Mr. MICHAEL—Every company in Hongkong is getting money at six per cent. It is only a matter of principle. As a shareholder I like the proposal very much.

The adoption of the report, which was seconded by Sir PAUL CHATER, was then agreed to.

On the motion of Mr. PARLANE, and seconded by Mr. CARMICHAEL, Sir Paul Chater, Hon. Mr. C. W. Dickson, and Dr. J. W. Noble were re-elected to the Consulting Committee.

It was proposed by Capt. CLARKE, seconded by Mr. MOSES, and carried unanimously that Messrs. T. Arnold and W. H. Potts be re-elected auditors.

The CHAIRMAN—That is all the business, gentlemen. Thank you for your attendance. Dividend warrants are ready now.

HONGKONG AND WHAMPOA DOCK CO., LTD.

The ordinary yearly meeting of shareholders in this Company was held at Queen's Buildings on February 26th. Sir Paul Chater presided, and there were also present—Hon. Mr. C. W. Dickson, Messrs. N. A. Siebs, E. Goetz, A. Haupt, H. P. White, D. E. Brown, G. H. Medhurst, J. S. van Buren, S. Silverstone (directors), W. Wilson (acting chief manager), T. J. Rose (secretary), G. M. Bain, G. de Champeaux, H. F. Carmichael, A. Denison, W. C. Jack, J. J. Leiria, Lo Cheung-Shiu, J. R. Michael, S. H. Michael, S. J. Michael, E. J. Moses, W. Parlance, P. H. Rolfe, F. Salinger, M. Stewart, H. P. Smith, E. C. Wilks and Captains A. Tillett and B. Unsworth.

The Secretary having read the notice convening the meeting, the CHAIRMAN said:—Gentlemen,—The report and statement of

accounts having been in your hands for some days, I will, with your permission, following our usual course, take them as read. The net profits for the half year ending 31st December, 1905, amount to \$171,649.83 as compared with \$328,201.51 for the first six months of the year, and \$370,159.03 for the corresponding period of 1904, a falling off which I am sure we all greatly deplore. To this sum must be added the sum of \$501,332.27, the balance brought forward from last account, and, after deducting directors' and auditors' fees, we have available for appropriation the sum of \$662,232.10, which sum your directors propose, subject to your concurrence, to deal with as follows:—To pay a dividend for the half-year of 12 per cent., or \$6, per share, absorbing \$300,000, and to carry forward the balance, \$362,232.10, to a new account, while, as I have already said, we must all deplore so poor a result for the past six months, it was, you will recollect, foreshadowed to some extent in my speech to you from this chair in August last, when I said I was afraid from various causes we could not look for any substantial improvement in the immediate future, and it is to be regretted that the depression in business then referred to continued throughout the remaining months of the past year. Happily since we last met, the peace between Russia and Japan then looked forward to has become accomplished and the improvement in our business confidently expected to result therefrom will, I trust, have become apparent before I have occasion to again address you. We have not been idle in our efforts to already secure a share of the work to be done in vessels of the Russian Navy, but owing to our No. 1 Dock being unable to accommodate their battleship *Czarewitch* we have so far obtained no work for them worth mentioning, and from this cause also, gentlemen, I regret to say we lost the steamers *Minnesota* and *Dakota*, which were obliged to go to Japan to be docked. The tonnage of ships docked during the last six months shows a slight falling off of some 290 tons, the figures for merchant vessels stand at 458,312 tons as against 392,731 for the last half year, and for war vessels, 29,130 as against 95,000; of this latter only some 3,013 tons represent foreign men-of-war, but I hope that in this connection we shall see a considerable improvement during the current six months, as we have now on our books four American battleships, and with the resumption of trade with this port by Japanese steamers we may reasonably expect an increased share of the merchant shipping. The new work in the shipbuilding yard referred to in my last speech has been carried on satisfactorily, we have completed and delivered the three large steel steam waterboats, a steel water barge for the U. S. Government at Manila, two large wooden lighters for local use and two small steam tugs for service at neighbouring ports. The large steamer for the Yangtze trade and the cargo lighter for Bangkok are making good progress, and we have recently secured an order for twelve large wooden lighters which, together with various contracts for steel work for the Hongkong Milling Co., cast-iron columns, etc., for new buildings help to keep our works profitably employed. The work of installing the electric drive in the saw mill is still in progress and will be completed during the present half-year on the arrival from home of the motors, and we have now on order an improved planer and a new lathe. The earnings of our dredger *Canton River* are small; the employment which I told you we had in view for her on the completion of her work at Canton having failed of arrangement. The value of materials on hand has increased during the period now under review by some \$150,000, mostly for the new Yangtze steamer now building and other contracts. Gentlemen, with nothing further to remark, before moving the adoption of the report and accounts as presented, I shall be pleased to answer to the best of my ability any questions you may have to put.

Mr. MICHAEL—I had a few important questions to ask, but at this juncture I think it is better to refrain. I will content myself by making a few remarks, and would earnestly call the attention of the Board to them. It is needless to say—

The CHAIRMAN—I think we might first have the report put before shareholders, Mr. Michael.

Then I shall be pleased to answer any questions.

Mr. MICHAEL—Questions may crop up out of my remarks. It is needless to say that the result of the past half year's working is a great disappointment. One shudders to think what would have been our position had the construction of the extensive new dock been sanctioned which was so urgently pressed upon the shareholders not long ago. We have fallen upon bad times, but I am to some extent disposed to look upon this as a blessing in disguise, inasmuch as it is perhaps only natural that during a succession of good years one is liable to become over confident and get rather lavish in expenditure, both temporary and permanent. In bad times it more than ever behoves us to restrict expenditure, consistent with the maintenance of efficiency, and in case such a policy might have escaped the notice of the Board, I desire now to urge this upon their attention. Far be it from me to advocate low salaries, for instance, but rumour has it, with what truth I do not know, that in some cases we are not receiving value for salaries paid. I earnestly draw the Board's attention to this question, as well as to the apparently unnecessarily large stock of materials carried, and it will be satisfactory to know that these and all like matters have the constant, careful and thorough scrutiny of the Board. I hope that the outcome of improvements will be gradually shown to the shareholders not in words and hopeful prophecies but in tangible results.

The CHAIRMAN—Any other remarks, gentlemen? There being no further remarks, I beg to propose that the report and accounts, as presented, be accepted.

Mr. BAIN—Mr. Chairman and Gentlemen,—I had intended to compliment the directors and yourself upon the way in which the Company's affairs have been managed during the past year, and after the confession on the part of Mr. Michael, and your own explanation, I feel inclined to emphasise that I consider that the Board has exercised an exceedingly wise discretion in the distribution of profits that have been made, and that the profits made have been wonderfully good considering everything all round. Instead of severe criticism, or criticism of almost any kind, the Board deserves the greatest credit for what it has done. It is all very well to blame the Board for not doing this, not getting business and not doing that, but this seems to be simply out of the question. The lean year is a lean year, and no effort on the part of even the leading man on the Board could change that; there has been a lean year in other places besides this. However, I should like to call attention to the peculiar condition which forces itself on my mind that the Board has done right. There is a class or section of shareholders who complain of the smallness of the dividend; there is another section which complains of the largeness of the dividend. That forces me to the conclusion that the Board has selected the happy medium, and in its wise discretion has done the best thing in the interests of the solid and *bona fide* investors of the Company. One other thing I should like to call attention to, that is the wisdom of the Board, as shown in re-electing yourself, Mr. Chairman, for another term of office (applause). All know the interest you have taken in the Company—the enormous amount of labour and trouble you have taken on its behalf—and I think that everyone of us agree, not only those present, but those absent as well, in the wish that you shall continue for a long time to come the same good service which you have given so long on our behalf (applause). With these few remarks, gentlemen, I have much pleasure in seconding the motion for the adoption of the report and the passing of the accounts as placed before us.

The motion was carried.

Mr. MICHAEL—If I am in order I would like to say that I think Mr. Bain has misunderstood me in saying that we are blaming the directors for not bringing business. My version was that we should ask the directors for retrenchment to suit the times. We are quite contented with our fate with regard to business, and cannot ask the directors to bring us any more.

The CHAIRMAN—The directors will pay due consideration to the remarks of Mr. Michael, as they always have done.

Mr. SALINGER proposed that the Hon. Mr. O. W. Dickson and Messrs. G. H. Medhurst

and S. Silverstone be elected to the Board of Directors.

Mr. PARLANE seconded, and the motion was carried.

Captain TILLET proposed, and Mr. WILKS seconded, the re-election of Messrs. H. P. White and E. Gostz to the Board of Directors. Agreed to.

It was proposed by Captain UNSWORTH, seconded by Mr. LEIRIA, and carried, that Messrs. T. Arnold and H. U. Jeffries be re-appointed auditors.

The CHAIRMAN—That is all the business, gentlemen. Dividend warrants will be ready to-morrow.

THE HONGKONG HOTEL CO., LTD.

The ordinary half-yearly meeting of shareholders was held at the Company's hotel on March 3rd. Mr. E. Osborne presided, and there were also present—Messrs. W. H. Potts, W. Parfitt (directors), C. Mooney (secretary), P. C. Potts, A. Turner, E. J. Chapman, T. Arnold, E. S. Haskell, W. A. Cruickshank, W. Taylor, Ho Fook, Ho Kom-tong, Lo Cheung-shin, and Captains W. E. Clarke and F. D. Goddard.

The notice convening the meeting having been read,

The CHAIRMAN said:—Gentlemen,—I propose, if you please, that the report and accounts be considered as read. Profits for the latter half of 1905 diminished considerably in consequence of an unexpected collapse of our liquor and extra meal business indeed, so complete, so sudden has been the change, that we feel encouraged to hope it must be due to exceptional and temporary circumstances, amongst which is probably the rise in exchange. For the patrons of that portion of the Hotel business which is known as the bar and extra meal account consist largely of mercantile marine officers drawing sterling salaries, and it is assumed that with a reduced dollar income, they are, and properly so, unwilling to spend so much as they formerly did. The opening of a rival establishment has contributed to the fall, but not materially. This unwelcome state of affairs once more emphasises the fact that our dividends in the past have been paid in great measure out of profits on liquor, and if the falling off referred to be other than a passing wave of abstinence, we shall have to consider seriously an increase in charges to visitors—especially monthly residents—or we shall have to practise some rather drastic economies. Meanwhile we are using every endeavour towards retrenchment without sacrifice of efficiency or comfort, and amongst other changes we hope to economise by the substitution of oil for steam in the engine department. The dividend which we recommend does not, I am aware, meet with the approval of some shareholders, who are of opinion that the \$20,000 set aside last year for new electric lifts should now be utilised to increase the dividend this half year. But as the electric lifts have not been paid for, your directors do not share that view, and we hope that the general body of shareholders will endorse their recommendations concerning the suggested appropriation of profits. I shall be pleased to answer any questions.

Mr. ARNOLD—Do you anticipate that this diminution of earnings will be permanent, or is it merely temporary?

The CHAIRMAN—It is very difficult to say, Mr. Arnold; I don't think it will be permanent myself.

Mr. ARNOLD—I think you have been a little premature in reducing the dividend. With regard to the electric lifts not having been paid for, I presume it makes no difference; it stands on the other side of the account as credited, and has been provided for. So much has really been written off the electric plant so far, and so much transferred to repairs and renewals, that I think these accounts could very well afford to wait until it has been shown that this diminution in the earnings is permanent or temporary. Therefore, I would suggest that the profits be appropriated in this way—that a dividend of 10 per cent. be paid, absorbing \$60,000; that only \$4,000 be transferred to repairs and renewals; that \$629.51 be written off the value of the electric plant; and that

\$619.89 be carried forward to the new account, Captain CLARKE—I have much pleasure in seconding the amendment.

The CHAIRMAN—Do I understand you right, Mr. Arnold. That you propose this amendment because \$20,000 set aside last half year for electric lifts now appears on the other side of the account?

Mr. ARNOLD—No; I take it that what you set aside last year is really so much written off the electric plant.

The CHAIRMAN—\$20,000 was set aside for the electric lifts.

Mr. ARNOLD—And repairs and renewals?

The CHAIRMAN—\$3,000 has been set aside against this account. \$10,000 for ordinary wear and tear was provided for, for the half year. Our experience has shown that this amount for the half year is nothing too much. \$20,000 was set aside to pay for electric lifts because we found hydraulic lifts inadequate and too slow when the house is full. These lifts have not yet been paid for.

Mr. ARNOLD—Have they been received?

The CHAIRMAN—No; not even ordered yet.

Mr. ARNOLD—The money has been set aside to pay for them. Why set aside more now?

The CHAIRMAN—The money has been set aside for repairs and renewals. We will have another expenditure in connection with the electric lifts, and the money set aside for them I take it that you wish now to be divided as a dividend?

Mr. ARNOLD—Not that; only the amount taken out of the profits of this last half year. I am not dealing with the previous half at all.

The CHAIRMAN—For the current half year the directors' proposal is to write off, say, \$10,000, which they have found from many years of experience is none too much. We propose to write off \$10,000 for repairs and renewals. Your proposal is to reduce that amount to \$4,000, thereby starving that account to the extent of \$6,000.

Mr. ARNOLD—There is already \$6,000 standing to the credit of repairs and renewals account.

The CHAIRMAN—That is set aside until the electric lifts are paid for.

Captain CLARKE—Let the electric lifts be written off gradually, so that they will be extinguished by the time they are worn out.

The CHAIRMAN—If you will permit me, I will repeat some remarks I made on the 28th August, 1900, on this subject, in connection with an increased dividend which was then proposed as an amendment to the directors' recommendation—"In the first place, I do not consider the earnings justify a higher dividend, because the appropriation of profits as suggested by the report, urged, if it urged at all, in not writing off enough from furniture and fixtures. Since 1895 we have spent in this direction \$134,855, and during the same period have written off \$85,049; this, in my opinion, is, if anything, inadequate, because a large proportion of the expenditure was upon carpets, cutlery, crockery glassware and linen, on which the wear and tear is so great that I think it would be more correct to pay for such articles out of earnings, and take no credit in the account for their existence. The outlay on furniture and fixtures will always constitute a very large item in our expenditure, and necessarily so, because if you starve the business of its legitimate nourishment in the shape of up-to-date furnishing, you will be starving the goose that lays the golden eggs. A well-appointed comfortable hotel will thrive, but a mean, badly-appointed one, such as we were a few years ago, will repel custom rather than attract it." I commend these remarks to your earnest consideration to-day. If this hotel is to keep up to the standard which we have endeavoured to keep up to in the past we must spend largely and lavishly. We have rivals cropping up. There will be probably more in the future, and it behoves us as directors to advise you to be content with a moderate dividend, and keep the place up to a certain standard of comfort so that whatever opposition comes along we can always hold our own. If no other gentleman has any remarks to make I will put the amendment.

Mr. PARFITT—I would like to say, in reply to Mr. Arnold, that the electric lifts will be an asset, and will only replace the old ones.

Mr. ARNOLD—I presume the old ones were written off long ago?

Mr. PARFITT—When we get the new ones they will be an asset worth \$20,000. You say the old ones are written off, but I cannot agree with you.

Mr. ARNOLD—If so much is set aside for repairs and renewals each year, I should think that they were. Do you mean to say that the lifts stand at their original cost?

Mr. PARFITT—I don't say what they stand at.

Mr. ARNOLD—Are lifts included in the furniture account?

Mr. PARFITT—In the furniture and fixtures, I think.

Mr. ARNOLD—In previous years we have written large sums off for furniture and fixtures.

Mr. PARFITT—I am not prepared to say that I was quite correct in my last remark.

Mr. ARNOLD—I could understand if there is to be a permanent diminution we must put up with a reduced dividend. I think we are in rather a hurry to reduce the dividend; we should wait and see what the next half year brings forth. The total earnings of 1905, I understand, equal the total earnings of 1904.

Mr. CRICKSHANK—Last year \$172,000 was earned, and in the previous year \$184,000, yet you propose to set aside a larger sum for repairs and renewals last year than in the previous year. It seems rather an unequal division. Naturally, the directors have some valid reason for writing off so much in one year. It occurs to me it would be better to maintain the regularity of our dividend.

Mr. POTTS—I would like to know how the bar is paying now on the receipts so far?

The CHAIRMAN—The receipts for January and February show about the same falling off per month as they have done for the six months of last year.

The CHAIRMAN—It has been proposed as an amendment by Mr. Arnold, and seconded by Captain Clarke, that the amount standing at credit of profit and loss account shall be distributed thus:—Pay a dividend of 10 per cent. for the half year, absorbing \$60,000; transfer to repairs and renewals account, \$4,000; write off from value of electric plant—\$629.51; carry forward to new account, \$619.89—total \$65,249.40.

On the amendment being put there were eleven for and three directors against.

The CHAIRMAN—The amendment is carried, gentlemen. The next business is the re-election of Mr. W. H. Potts as a director.

Captain GODDARD—I have much pleasure in proposing that Mr. Potts be re-elected to the Board of Directors.

Captain CLARKE—I have much pleasure in seconding.

The motion was carried.

Mr. LO CHAU-SHUI moved, and Mr. HASKELL seconded, that Messrs. H. U. Jeffries and A. R. Lowe be re-appointed auditors. Carried.

The CHAIRMAN—Dividend warrants will be ready on Tuesday, gentlemen; they have not yet been written out, as we expected something of this sort. Thank you for your attendance.

Mr. CRICKSHANK Before separating I should like to put on record our thanks to the chairman and directors for the conscientious way in which they have looked after our interests during the past six months, although we have had to differ with them on the small point about a dividend.

Captain GODDARD seconded the motion.

The CHAIRMAN—Thank you, Mr. Crickshank; your remarks are appreciated.

THE SHANGHAI LAND INVESTMENT COMPANY, LTD.

The seventeenth annual general meeting of this Company was held on Feb. 22nd. The usual resolutions were all passed, after the Chairman, Mr. E. Jenner Hogg, had said—We keep up our ordinary dividend and carry forward a substantial sum, but having made no sales of property during the year, we cannot yet offer you another bonus. When last I addressed you I told you that we contemplated developments, and these we are carrying out. It has, in fact, been a year of preparation, of which the fruits may be safely expected to commence this year and to increase in those immediately following. We have added to our land by purchases to the extent of about 240,000 taels. We have improved our estates at a cost

of some Tls. 35,000 for roads, bridges, buildings, etc., and have spent Tls. 150,000 on new buildings. All this development is promising very well indeed and cannot fail to add materially to our permanent earning power. The gross rentals show the satisfactory increase of Tls. 28,300; but, on the other hand, our working expenses have been much heavier. With a view to keeping our properties in really good order, and in consequence, also, of some changes of tenancy involving redecoration, etc., beyond what is usual, there has been some excess in what may be considered ordinary up-keep. But beyond this we have had to meet the following items:—About Tls. 4,000 in consequence of the typhoon in September; Tls. 5,500, repairs of a permanent character which should relieve us from outlay in this respect for some years to come; Tls. 4,100, increase in taxation; Tls. 2,000, insurance against fire, and of rentals—a new departure, but one that will be appreciated as giving us a definite security of our income; and over Tls. 6,000 from increased rates of fire insurance, making a total of Tls. 21,600. I should like to say a word as to these increased rates of fire insurance. I understand that they are considered necessary owing to the heavy losses sustained through fires in Chinese houses—too often, it is suspected, caused by incendiarism. It is notorious enough that it is the insurance of contents in their houses that leads to this, and it would appear that the keen competition for this class of business tends to some indifference as to the selection of risks. The inevitable we find in the frequent fires that occur; and because of the hazardous nature of these risks on "contents," the houses themselves are charged with enormous premia. The system seems entirely inevitable, and it is surely time that "the saddle should be put on the right horse"—that the reckless insuring of "contents" should be discontinued, and that the owners of "contents" should be made to bear the burden that belongs to them, while house-owners should be charged a reasonable and legitimate rate on their buildings. To return to the accounts the working accounts shows an increase in "Charges account," mainly due to passages of the staff. On the other hand, salaries and directors' fees are almost correspondingly less. As to Profit and Loss account there is nothing to say, beyond that the appropriations sanctioned at the last meeting have been made. The Reserve Fund, as you know, is built up from the interest accrued from undeveloped estates and stands at the substantial sum of Tls. 828,813.05; and the Special Reserve Fund, intended for the equalisation of dividends, has Tls. 170,000 to credit for use if occasion should arise. Referring to the balance sheet, you will find some changes in and additions to the various estates, which have been fully dealt with in the Report, but in reference to No. 16, on Ferry Road, I should say that we are dividing up this newly-acquired property into small lots for sale, believing that we are, in this way, offering a convenience to some of our shareholders and others who may desire small holdings, facilities for mortgage and building on such properties being afforded by the Company if desired. The amount of our mortgages, Tls. 1,668,000, is rather less than last year. They are all profitable and are well covered. As to the current year, I may say that with an increased rental account and, I hope, a reduced proportion of working expenses, our accounts for 1906 should show improving results.

MISSIONARIES MURDERED IN KIANGSI.

SHANGHAI, February 26th.

A purely local outbreak has occurred at Nanchangfu in Kiangsi Province.

It is reported that some French priests invited the local Chinese magistrate to a banquet, where refusing to agree to the demands of the priest for a large indemnity the magistrate either committed suicide or was attacked and killed by the French priests.

A mob promptly assembled and killed six Roman Catholic priests, burnt all the mission premises except the buildings of the China Inland Mission.

The Rev. Mr. Kingham, of the Plymouth Brethren Mission, with his wife and two children were also murdered.

Fourteen American missionaries escaped by boat.

There is now no communication with Nanchang.

SHANGHAI, February 27th.

The missionary refugees from Nanchang, numbering 33 in all, arrived at Kewkiang to-day. The French gunboat *Descartes* and the American gunboat *Quiros* have left Shanghai for Kewkiang, where they will join the British gunboats *Clio* and *Teal*.

SHANGHAI, February 28th.

The Nanchang magistrate, who was at first reported to be dead, is alive, but his wounds are still dangerous.

The population is fleeing from the town, dreading the arrival of the foreign gunboats.

Many arrests have been made.

The officials are urging the Viceroy to come personally to deal with the situation.

SHANGHAI, March 1st.

The Nanchang magistrate died to-day.

HONGKONG.

It has been decided to hold a gymkhana in April.

Spampani's European Circus is giving performances at Causeway Bay.

The Hon. Mr. H. E. Pollock, K.C., was married to-day at St. John's Cathedral to Miss Lena Oakley.

This U.S. flagship *Ohio* with Rear-Admiral Train on board, arrived here yesterday from Manila.

Twenty one undesirables, deported from the Straits Settlements, passed through the hands of the local police on Feb 28.

Lai Kwai-pui, who has been in Hongkong since Tuesday, has been entertained by local Chinese citizens. He has declared his intention to use every effort to get the Canton railway constructed.

During the past week the Bandmann Opera Company has occupied the Hongkong Theatre. They have drawn unusually large houses, the theatre on many nights being crowded to its utmost capacity.

For the week ending Feb. 24th the plague return was twelve fatal cases, all Chinese from Canton. In the next two days, another case was recorded, making the total 29. During the week there were 14 cases of smallpox, two European and twelve Chinese. Canton sent one of the latter.

It was rumoured in the city last week that the E. and A. Co's s.s. *Australian* had gone aground in the Torres Straits. From inquiries made at the agents, Messrs. Gibb, Livingston and Co., we learned that she did touch bottom, but was not seriously damaged and is expected to arrive here on time.

The *Straits Times* says in a leading article that it has heard it stated that the shore of Hongkong is strewn with the bones of European assistants, who have come out to the East under such lamentable agreements with the local firms that death in any form has been deemed preferable to an attempted existence on \$100 or less a month. It would be interesting to Hongkong readers of the libel to learn the source of our contemporary's information.

The letting by public auction of two lots of Crown land was conducted at the Public Works Department on February 26th. The first lot, Peng Chau Farm Lot No. 1, situated at Peng Chau Island, and consisting of an area of about 45 acres, was purchased by Mr. P. W. Goldring (Messrs. Brutton, Hatt and Goldring) for \$820. The second lot, Kowloon Inland Lot No. 1172, situated at Austin Avenue, Kowloon, fell to the original applicant, Mr. F. Blunck, for \$7,633, an advance of \$20 on the upset price.

On Feb. 27th an Indian constable on duty near Jardine's wharf at Causeway Bay found the dead body of a coolie in the mud. On dragging him out it was found that his feet were bound by a cord which extended to his neck and was there made fast. At first sight the case looked like one of murder, but on further investigating the police did not consider it was. They are of opinion that the man died suddenly, probably of heart failure, and that his friends decided to "dump" him, hence the reason for the cord, by which he would be fastened to a bamboo pole and conveyed to what they intended to be his last resting place. The result of the post-mortem examination will probably unravel the mystery.

JAPAN.

It is reported that Baron Suyematsu, who was in England as Special Envoy throughout the war and recently returned to Japan, will be appointed Ambassador to Rome.

The Tokyo Municipality has decided to obtain a loan of Yen 10,000,000 from America, for improvements to the water supply, harbour, and other public works. Negotiations are being conducted by Baron Shibuzawa, Director of the First Bank, and Mr. Soeda, of the Industrial Bank, with American capitalists.

It is again stated by Japanese papers that Marquis Oyama, Superintendent of the General Staff Office, will shortly resign, and that he will be succeeded by General Kodama. In that event, it is believed that either General Oshima, Commander of Kwantung, or General Oku will be appointed Governor of Formosa in the place of General Kodama.

Japanese papers report that certain foreign firms in Japan, which have previously bought Japanese loan bonds, have cabled to their principals abroad in connection with the new domestic loan. One large firm is said to contemplate subscribing to the new loan to the amount of 20 or 30 million yen.

Even the policeman is not free in Japan from the attentions of the pickpocket. It is reported that at Osaka a member of the force, in uniform, was robbed by a pickpocket. Naturally he (the policeman) was surprised and indignant when he discovered his loss, which included a silver watch and fifteen yen, but the daring of the thief cost him his liberty. He was seized by a detective who happened to be near.

Japanese shipowners save the *Yagasaki Press*, are experiencing some difficulty in profitably employing the steamers released from Government charter. The North-China ports being not yet free from ice add to their embarrassment. Many of them are contemplating running their vessels to Vladivostok as there is plenty of cargo and a fair number of passengers, but the rates are being considerably lowered by the competition.

We note in certain Japan papers that shipowners of Japan are forming a big combination, and they desire to secure the association of all shipowners throughout the Empire. The steamers (all of 1,000 tons and over) which are expected to form the new fleet number 132 with an aggregate tonnage of 283,747. At present the only regular lines indicated are those between Yokohama and the Philippines and between Japan and India, for both of which it is expected that a measure of Government aid will be forthcoming under the Navigation Encouragement Law.

The *Kölnische Zeitung* learns from Japan that the Japanese Government intends to establish shortly two foreign naval stations, one of which is to be in the Mediterranean and the other on the west coast of America. The journal referred to considers that Admiral Togo's projected visit to England is to be regarded as being preliminary to this project being carried out, especially as the Admiral will go to the United States from England, and finally sail home by way of the Straits of Magellan. We reproduce the report for what it may be worth, but are inclined to think it worthy very little credence.

According to certain newspapers, the Japanese Government intends introducing a bill into the Diet to alter the ratio of silver to gold which was fixed when the gold standard was established in 1890. It is proposed to change the ratio from 28.75 to 23. This alteration will entail changes in the present silver coinage. The fifty and twenty sen pieces will be lessened in weight and size by about one-third. The ten sen pieces, however, will not be altered, as a reduction in their size might be found inconvenient. It is understood that the proposals are made partly with a view to making the fifty sen and twenty sen pieces more suited for convenient use and partly to secure a truer equilibrium between the ratios. As the value of the fifty and twenty sen coins now current is about ¥5,000,000, the profit which the Government will ultimately obtain by lessening the weight is estimated at about ¥16,000,000.

MISCELLANEOUS.

Special telegrams in the *Echo de Chine* say that Great Britain has demanded an indemnity for the destruction of churches near Amoy.

Mr. J. Mackinnon has been appointed assistant secretary of the Shanghai Municipal Council. Forty-nine applications for the post were received.

Prince Ching has contributed 30,000 taels, all the other Grand Councilors 10,000 taels, and President Jung Ching 1,000 taels towards the donation to the State.

Mr. Laidlaw, who won East Renfrew in the Liberal interest in the recent Parliamentary election is a member of the Shanghai firm of Whiteaway, Laidlaw & Co.

The Tartar General at Ili demands four million taels for the organization of efficient troops along the frontier, and the Government are now considering the matter.

The Waiwupu has received an extraordinary message from the Governor of Hunan, that the British Consul, acting under instructions from the British Minister, has notified Mr. Bendoritz that he must leave Changsha city.

Three men (one of whom wore a false queue) fired a revolver at a policeman who tried to arrest them at Shanghai on the 17th Feb. They had just committed a burglary. The policeman's belt partly stopped the bullet, and he was only slightly wounded.

The *Foochow Echo* says:—The project [of forming a national Chinese Christian church independent of foreign influence] is a notable one and, if successful, might ultimately supply the only possible solution of the troublesome "missionary question" by removing it altogether.

The sanitary authorities are evidently taking action at Beaconsfield Arcade, where a case of plague occurred last week. A number of tenants have received forty-eight hours' notice to quit, and the work of removal in most cases was completed yesterday. The proceeding involves some hardship on the business people concerned.

Mr. George B. Dodwell, a man of Dolwell & Co. Ltd., has become Chairman of the Malacca Rubber Plantations, Ltd., a company which is being floated in London with a capital of £300,000. The company has been formed primarily for the purpose of carrying on business as rubber planters, and acquiring and working the Bukit Asahan estate in Malacca.

A daring act of piracy is reported to have occurred in the North River. Some nine armed men boarded Mr. J. W. Kew's motor-boat, the *Tienkong*, and held up the crew and passengers who numbered 130. After relieving the passengers of their valuables, and removing what they desired from the boat, they grounded the vessel and departed. They are said to have got clear with booty to the value of \$3,000.

Writing of the death at Florence of Mrs. Hayllar, the *N.-C. Daily News* says:—She was the eldest daughter of the late Mr. Charles C. Black, M. A., Assistant Keeper at the South Kensington Museum some 35 years ago. During her long sojourn at Hongkong, where her husband occupied a very prominent position at the Bar, and was for a time Acting-Judge, their house was a favourite reunion for residents and visitors to the Colony, and their hospitality was proverbial. Of late years, Mr. and Mrs. Hayllar had resided at the Villa Alberti, Florence, where they were highly esteemed by the colony of Anglo-Indians and others who have made Florence their home, and where Mrs. Hayllar breathed her last.

A Peking despatch states that there is much indignation in the North and also in the Two Kuang provinces at what is an alleged recent breach of faith on the part of the French on the Kiangsi-Tongking borders. Since 1903 there has been a body of French troops quartered at Lungchow, owing to the insurrection in Kiangsi. As this has been now suppressed, the French authorities consented recently to withdraw their troops across the frontier. News has now been received that instead of leaving Lungchow the French have suddenly increased their forces there by over 3,000 men. There is said to be great excitement over this in the South and remonstrances have been made to the French Government by the Waiwupu.

COMMERCIAL.

SILK.

Messrs. A. R. Burkill & Sons' Silk Circular, dated Shanghai, 17th Feb., 1906, states:—The home markets are firm. Gold Kiling is quoted in London at 12.7 and in Lyons at Fcs. 35.09. Raw Silks.—A fair business has been done in Tsatless during the period under review, about 400 bales being settled. Coarse Silks are neglected. Yellow Silks.—The market continues firm but very little business has been done. Hand Filatures.—A settlement of 200 bales of crack chops is recorded for America on the basis of Tls. 730 for M. H. Y. Blue Dragon Extra, a small business has also been done in lower grade Filatures for that market. Steam Filatures.—A few small settlements are reported but at present prices consumption is very limited. Waste Silks.—Continues very quiet, the high rates of exchange making business exceedingly difficult.

SUGAR.

HONGKONG, 2nd March.—A downward tendency continues, market being very dull.
Shekloong, No. 1, White.....\$8.40 to \$8.45pc.
Do, " 2, White..... 7.20 to 7.25 "
Do, " 1, Brown..... 6.80 to 6.35 "
Do, " 2, Brown..... 5.30 to 5.45 "
Swatow, No. 1, White..... 8.00 to 8.10 "
Do, " 2, White..... 7.10 to 7.15 "
Do, " 1, Brown..... 6.00 to 6.05 "
Do, " 2, Brown..... 5.60 to 5.65 "
Focchow Sugar Candy.....10.50 to 10.60 "
Shekloong..... 9.55 to 9.60 "

RICE.

HONGKONG, 2nd March.—The prices are the same as when last reported.
Saigon, Ordinary\$2.80 to \$2.85
" Round, good quality..... 3.60 to 3.65
" Long..... 3.70 to 3.75
Siam, Field mill cleaned, No. 2..... 2.90 to 2.95
" Garden, " No. 1..... 3.75 to 3.80
" White..... 4.00 to 4.05
" Fine Cargo 4.20 to 4.25

OPIMUM.

HONGKONG, 3rd March.
Quotations are:—Allowance net to 1 catty.
Malwa New\$1000 to — per picul
Malwa Old\$1050 to — do.
Malwa Older\$1100 to — do.
Malwa Very Old\$1170 to — do.
Persian Fine Quality \$1050 to — do.
Persian Extra Fine... \$1100 to — do.
Patna New\$860 to — per chest.
Patna Old\$845 to — do.
Benares New\$805 to — do.
Benares Old\$795 to — do.

PIECE GOODS.

Messrs. Noel, Murray & Co.'s Report on the Shanghai Piece Goods Trade, dated Shanghai, 22nd February, 1906, states:—The week under review has been a most disappointing one, and this is chiefly attributable to the continuous wet. The working of cargo in almost at a standstill, for the reason that it is practically impossible to engage the labour, and all the wharves and godowns are in a terribly congested state. It is hoped that the weather will clear up sufficiently to permit the Tientsin steamers to load before the 1st March, on which date it is proposed to despatch the first flight. The natives have so much on hand that is already paid for, that the quantity sent up promises to be extra large; and it will need to be, if any perceptible reduction is made in the stock. Pending the delivery of a good proportion of these heavy quantities they are carrying, the dealers are not disposed to enter into fresh transactions, especially with a rising exchange, and consequently the trade at the moment is at a dead-lock. It is doubtless for these reasons prices at auction show some weakness, though it must be confessed they might have been much worse. It is, however, no doubt policy on the part of the trade here to up-hold the prices obtained at these regular public sales, as the particulars are so liable to be circulated in the country. The Manchester market is easing down considerably and is showing unmistakable signs that business is desired, and that for fairly prompt execution. Tempting offers are being received, and counter offers at a considerable reduction are being unexpectedly accepted. The Indian demand is evidently satisfied for the time being and the China trade is being cultivated. It will not be for want of exploiting if the trade does not increase, for the place seems to be full of the

representatives of Manchester firms and Companies, but we fear that for a time they will meet with nothing but disappointment. The trade has undoubtedly been overdone already, and unless manufacturers get a sudden fit of philanthropy and are prepared to sell their wares 40 or 50 per cent. under present prices the trade is not going to show any sudden expansion. The Liverpool market keeps fairly steady for Cotton, the latest quotations being 5.82d. for Mid. American and 5d for Egyptian. The price in New York has recovered to 11.06 cents for "July Option." The market there for domestics is as firm as ever, and is being encouraged by fresh purchases for China at extreme prices. The export of Plain Cottons from England appears to be moderating, being only 16 Million yards for the fortnight ending 16th inst. The Yarn market has been greatly affected by the rise in exchange, the imported spinings showing a decline of fully three taels. Cotton barely steady.

Messrs. Arnhold, Karberg & Co.'s Fortnightly Produce Circular, dated Shanghai 19th February, states:—Gallnuts.—Plum-shaped Galls are very scarce and the small parcels that are offered find ready buyers. Demand for usual Galls is very slow as the price asked by dealers does not suit consumers. Cowhides.—There is no change to report. Prices are as high as ever and the rising exchange makes business even more difficult. Supplies are rather small, which encourages Chinese to show a very firm front. Tobacco.—Nothing doing. Feathers.—The demand for this article has been somewhat better during the time under review but prices remain about the same. Cotton.—The drop in American Cotton, which has had a weakening influence on the Japanese market, combined with a rise in exchange, has induced local dealers to lower their prices. There will have to be a further reduction, however, before export business is possible again. Tallow.—This article is only of very little interest for the moment as prices are too high. Strawbraid.—Market for all mottled braids, white plaits, and fine split remains very firm. Stocks are very small and supplies do not meet the demand. Goat skin Rugs.—The demand for this article continues, and prices have further advanced in the meantime. Wool.—Large supplies have arrived and found ready purchasers at steady prices.

HONGKONG QUOTATIONS.

HONGKONG, 5th March, 1906.

Apricot.....	\$30	"	—
Borax.....	\$16	"	—
Cassia.....	\$14	"	\$19.50
Cloves.....	\$36	"	—
Camphor.....	\$150	"	—
Cow Bezoar.....	\$110	"	\$150
Fennel Seed.....	\$650	"	—
Galangal.....	\$40	"	\$95
Grapes.....	\$14	"	—
Kismis.....	\$19	"	—
Glue.....	\$25	"	—
Olibanum.....	\$2	"	\$15
Oil Sandalwood.....	\$200	"	\$250
" Rosa.....	\$50	"	\$160
" Cassia.....	\$150	"	—
Raisins.....	\$9	"	—
Senna Leaves.....	\$4	"	—
Sandalwood.....	\$24	"	\$29
Saltpetre.....	\$11	"	—

MISCELLANEOUS IMPORTS.

HONGKONG, 2nd March.—The prices ruling are as follows:—

COTTON YARN—				per bale	
Bombay—Nos. 10 to 20, ...	\$90.00	to	\$128.00		
English—Nos. 16 to 24, ...	140.00	to	160.00		
" 22 to 24, ...	160.00	to	165.00		
" 28 to 32, ...	167.50	to	175.00		
" 38 to 42, ...	180.00	to	190.00		
Reported sales 9,000 bales.					
COTTON PIECE GOODS—				per piece	
Grey Shirtings—6 lbs.	\$2.20	to	\$2.25		
7 lbs.	2.30	to	2.40		
8.4 lbs.	3.00	to	4.00		
9 to 10 lbs.	4.10	to	5.30		
White Shirtings—54 to 56 rd. 2.80		to	3.00		
58 to 60 " 3.10		to	3.60		
64 to 66 " 3.80		to	5.40		
Fine 6.10		to	8.00		
Book-folds 5.30		to	6.10		
Victoria Lawns—12 yards ... 0.80		to	1.00		
T-Cloths—6lbs. (32 in.), Ord'y. 2.20		to	2.30		
7lbs. (32 ") " 2.70		to	3.00		
6lbs. (32 ") , Mexs. 2.25		to	2.70		
7lbs. (32 ") " 2.90		to	3.20		
8 to 8.4 oz., (36 in.) 3.25		to	3.80		
Drills, English—40 yds., 13 1/2		to	5.10		
to 14 lbs. }			8.00		

MISCELLANEOUS EXPORTS.

HANKOW, 21st Feb., 1906.—The prices quoted are for the net shipping weight excluding cost of packing for export:—

	Per picul
Cowhides, Best Selected.....	Tls. 38.00
Do. Seconds	33.50
Buffalo Hides, Best Selected	18.50
Goatskins, untanned, chiefly white color	65.00
Buffalo Horns, average 3-lbs. each	8.25
White China Grass, Wuchang and/or Poochi.....	12.60
White China Grass, Sinshan and/or Chayu	11.60
Green China Grass, Szechuen	18.50
Jute	4.60
White Vegetable Tallow, Kinchow.....	9.00
White Vegetable Tallow, Pingchow and/or Macheng	8.60
White Vegetable Tallow, Mongyu	8.00
Green Vegetable Tallow, Kiyu.....	8.70
Animal Tallow	10.00
Gallnuts, usual shape	16.80
Do. Plum do.	18.50
Tobacco, Tingchow	8.50
Do. Woukong	11.00
Black Bristles	115.00
Feathers, Grey and/or White Duck	(nom.)
" " Wild Duck	"
Turmeric	3.50
Sesamum Seed	4.00
Sesamum Seed Oil	7.50
Vegetable Tallow Seed Oil.....	(nom.)
Wood Oil	8.35
Tea Oil	10.00

Per P. & O. steamer *Delhi*, sailed on 24th Feb. For Manchester:—1 case silks, 158 bales waste silk. For Lyons:—125 bales raw silk. For Marseilles:—50 bales waste silk, 3 cases feathers, 194 bales raw silk. For London:—1 case silk, 80 bales raw silk, 105 boxes Mexican dollars, 3 cases feathers, 3 cases cigars, 4 packages sundries. For Gibraltar:—2 cases silks.

Per P. & O. steamer *Sumatra*, sailed on 28th February. For London:—2 cases cigars, 8 cases camphor oil, 34 cases camphor, 94 bales canes, 26 cases chinaware, 2 cases feathers. For London:—50 rolls mats and matting, 478 bales waste silk, 100 packages tea, 6 packages private effects and curios, 50 packages merchandise (opt.)

TONNAGE.

HONGKONG, 23rd February.—Freights remain about the same as last reported. From Saigon to Hongkong 14 cents per picul last; to one port Philippines 28 cents nominal; to one port North Coast Java several handy sized carriers closed at 25 cents to 27 cents per picul, and more tonnage might be placed at the latter rate; to Japan two local boats fixed at 29 cents and the Japanese str. *Kotohira Maru* fixed in Japan for a port cargo of 35,000 piculs at 27 1/4 cents; to Vladivostok 55 cents per picul was paid for a 32,000 piculs steamer, but tonnage is now obtainable at 45 cents. From North Coast Java to this 25 cents last. From Bangkok to Hongkong 28 cents and 21 cents per picul. Coal Freights are weak. Moji to this \$1.30 last; Amoy \$1.75. From Hongkong to this \$1.40; to Canton \$2 per ton last; to Amoy \$2.25 per ton. The following are the settlements:—

Kotohira Maru—Japanese steamer, 2,308 tons, Moji to Hongkong \$1.10 per ton.
Oro—British steamer, 2,147 tons, Moji to Hongkong \$1.30 per ton.
Triumph—German steamer, 769 tons, Hongkong to Canton \$2 per ton.
Holstein—German steamer, 1,103 tons, 1-3 ports North Coast Java to Hongkong 25 cents per picul.
Phuyen—French steamer, 1,298 tons, Sourabaya to Hongkong 26 cents per picul.
Loyal—German steamer, 1,237 tons, Bangkok to Hongkong 21 and 28 cents per picul.
Petrarch—German steamer, 1,252 tons, Saigon to Vladivostok 55 cents per picul.
Heimdal—Norwegian steamer, 761 tons, Saigon to Batavia 26 cents per picul.
Changchow—British steamer, 1,203 tons, Saigon to Kobe 29 cents per picul.
Hanyang—British steamer, 1,207 tons, Saigon to Kobe 29 cents per picul.
Thelma—Norwegian steamer, 1,187 tons, Saigon to one port North Coast Java 24 cents per picul.
Victoria—Swedish steamer, 1,181 tons, Saigon to one port North Coast Java 27 cents per picul.
Bourbon—French steamer, 907 tons, Saigon to Hongkong 13 1/4 cents per picul.
Pronto—Norwegian steamer, 837 tons, Saigon to Hongkong 14 cents per picul.

FREIGHT.

From Hankow per Conference Steamers.—To London and Northern Continental ports 46/- per ton of 40 c. ft. plus river freight. To Genoa, Marseilles or Harve 41/6 per ton of 40 c. ft. plus river freight. To New York (via Suez) 32/- per ton of 40 c. ft. plus river freight. To New York (Overland), Tea G. \$1 1/2 cents per lb. gross, plus river freight. To Shanghai: Tea and General Cargo, Tls. 1.80 per ton, weight or measurement.

SHARE REPORTS.

HONGKONG, 2nd March, 1906.—We have nothing of any importance to report. The dullness of the market has become even more accentuated, and rates generally have ruled weaker. The little business which has been transacted during the week has been of a very desultory nature and cannot be much relied on as a sure indication of the market. As a matter of fact, generally speaking, there is no market worthy of the name, and every transaction is made on its own bottom with but little respect for quoted rates.

BANKS.—Hongkong and Shanghai have ruled quiet at \$860, ex div. and bonus of \$2 15s paid on the 26th instant. Small sales are reported at that rate. The latest London quotation ex dividend is £91 10s. Nationals continue in demand and without sales at quotation.

MARINE INSURANCES.—Unions have been in demand at \$750 and China Traders at \$93 to \$94, but very few shares of either are available, and little or no business has resulted. Cantons remain in demand at \$340. We have no local business to report in the Northern Insurances.

FIRE INSURANCES.—Hongkongs have been negotiated at \$322 1/2, but close with sellers at \$320. Chinas continue in a small demand at \$89 without bringing any shares on the market.

SHIPPING.—Hongkong, Canton and Macao have changed hands in small lots at \$24 1/2 and \$24, and Douglas's at \$40. Indos continue weak with sellers at \$96 and no sales to report. Star Ferries (old) have found buyers at \$32, and new at \$23. Other stocks under this heading call for no remarks.

REFINERIES.—China Sugars were placed in small lots at \$215 and \$216 in the early part of the week, but later sellers have ruled the market at \$215. Some time business is reported at \$228 for August, and at \$223 for June. The market closes quiet at \$214 with sellers for cash and forward at equivalent rates.

MINING.—No business or changes to report.

DOCKS, WHARVES AND GODOWNS.—Hongkong and Whampoa Docks remain quiet and without sales at \$156 ex dividend. It is reported that more work is now coming to hand, and that prospects show some signs of improvement. Kowloon Wharves have issued their report showing an improvement on last year's earnings of \$64,012, and recommending a final dividend of 7 per cent. making 12 per cent. for the year against 10 per cent. for last. Sales have been effected at \$106 cum div. and sellers rule the market at that rate. New Amoy Docks, after the payment of \$1 dividend, are obtainable at \$16. Farnhams have again receded to Tls. 122 1/2 and Hongkew Wharves to Tls. 225 without any local business.

LANDS, HOTELS AND BUILDINGS.—Hongkong Lands continue neglected and have declined to \$116 with sellers. Hongkong Hotels, on the issue of a report showing a decrease of earnings for the corresponding period of 1904 of \$31,123.80 have declined to \$140, after sales at \$144 and \$141, market closing quiet at the first named rate. Humphreys are reported at \$11.75 and \$11.65 closing with sellers at the former rate.

COTTON MILLS.—All quotations from Shanghai come considerably higher, but we have no local business to report. Hongkongs remain in demand at \$15 without bringing any shares on the market.

MISCELLANEOUS.—Bells Asbestos are enquired for at \$7, Dairy Farms at \$15 1/2, Powells at \$11, and Watsons at \$13, but no shares are available at the moment. Fenwicks have declined to \$23 and \$22 1/2 with sellers. Electrics have been placed at \$16 1/2 (old) and \$16 (new), Watsons at \$13, China Providents at \$9, and Green Islands at \$39 1/2 ex dividend paid on 26th instant (\$2.50). We have nothing further to report under this heading.

Closing quotations are as follows:—

COMPANY.	PAID UP.	QUOTATIONS.
Alhambra	\$200	\$100
Banks—		
Hongkong & S'hai..	\$125	\$860, ex div. London, £91.10 [x. d.]
National B. of China A. Shares	25	\$88, buyers
Bell's Asbestos E. A.	12s. 6d.	\$7, buyers
China-Borneo Co.	\$12	\$10, sellers
China Light & P. Co.	\$10	\$9
China Provident	\$10	\$9, sellers
Cotton Mills—		
Ewo	Tls. 50	Tls. 59, buyers
Hongkong	\$10	\$15, buyers
International	Tls. 75	Tls. 60
Laou Kung Mow	Tls. 100	Tls. 67
Soychee	Tls. 500	Tls. 275
Dairy Farm	\$6	\$15 1/2, buyers
Docks & Wharves—		
Farnham, B. & Co.	Tls. 100	Tls. 122 1/2
H. & K. Wharf & G.	\$50	\$107, sellers
H. & W. Dock	\$50	\$156, ex div.
New Amoy Dock	\$61	\$16, ex div.
S'hai & H. Wharf	Tls. 100	Tls. 225
Fenwick & Co., Geo.	\$25	\$23, sellers \$22 1/2, sellers
G. Island Cement.	\$10	\$30 1/2, sellers x d.
Hongkong & C. Gas.	£10	\$175, buyers
Hongkong Electric.	\$10	\$16 1/2
Do. New	\$10	\$16, sales
H. H. L. T. ramways.	\$100	\$215, buyers
Hongkong Hotel Co.	\$50	\$140
Hongkong Ice Co.	\$25	\$230, buyers
Hongkong Rope Co.	\$50	\$152, buyers
H'kong S. Waterboat	\$10	\$10, sellers
Insurances—		
Canton	\$50	\$340, buyers
China Fire	\$20	\$89, buyers
China Traders	\$25	\$94, buyers
Hongkong Fire	\$50	\$320, sellers
North China	25	Tls. 92 1/2
Union	\$100	\$750, buyers
Yangtze	\$60	\$180
Land and Buildings—		
H'kong Land Invest.	\$100	\$116, sellers
Humphreys' Estate	\$10	\$11.75, sellers
Kowloon Land & B.	\$30	\$37, sellers
Shanghai Land	Tls. 50	Tls. 110, ex div.
West Point Building	\$50	\$53, sellers
Mining—		
Charbonnages	Fos. 250	\$490
Raubs	18/10	\$3 1/2
Philippine Co.	\$10	\$5 1/2, buyers
Refineries—		
China Sugar	\$100	\$214, sellers
Luzon Sugar	\$100	\$37, sellers
Steamship Companies		
China and Manila.	\$25	\$21, sellers
Douglas Steamship	\$50	\$40, sales & buyers
H., Canton & M.	\$15	\$24 1/2, sellers
Indo-China S.N. Co.	£10	\$96
Shell Transport Co.	£1	24/-
Do. Preference.	£10	£8. 10s.
Star Ferry	\$10	\$32, sales
Do. New	\$5	\$23, sellers
Shanghai & H. Dyeing	\$50	\$50
South China M. Post.	\$25	\$20, sellers
Steam Laundry Co.	\$5	\$7, sellers
Do.	\$5	\$6 1/2, sellers
Stores & Dispensaries.		
Campbell, M. & Co.	\$10	\$36
Powell & Co., Wm.	\$10	\$11 1/2, sellers
Watkins	\$10	\$6, sellers
Watson & Co., A. S.	\$10	\$13, sales & buy.
United Asbestos	\$4	\$9
Do. Founders	\$10	\$160

VERNON & SMYTH, Brokers.

Messrs. J. P. Bisset & Co.'s Share Report for week ending the 22nd Feb., 1906, states:—There has been hardly any business at all during

the week in our principal stocks, but a fairly large miscellaneous business has been put through. There has been a very good demand during the week for Cotton shares, and higher rates are prevailing all round. The T. T. rate on London is 2/10 1/2. Banks.—Hongkong and Shanghai Banks. The rates from the South remain at \$895 sales, the latest London quotation being £96. Shares were dealt in locally yesterday at \$890, ex 7 1/2. Marine and Fire Insurance.—A single transaction in Yangtze Insurance Shares is reported at \$180 ex 7 1/2. Shipping.—Indo-Chinas. There is only one transaction to record at Tls. 68 1/2 for cash. Shanghai Tug and Lighter Co. Ordinary shares have been placed at Tls. 59 and Preference shares at Tls. 5 1/2 for cash. Docks and Wharves.—Business in S. C. Farnham, Boyd and Co.'s shares has been very meagre this week. A few shares changed hands at Tls. 124 for cash. For March Tls. 125, and for July at Tls. 128, 127 and 126. At the close shares are obtainable at Tls. 123 1/2 for cash. Shanghai and Hongkew Wharf Shares have also been quiet. We quote rates at closing Tls. 230 cash, Tls. 237 1/2 June, and Tls. 240 July. Sugars.—Perak Sugars. Shares have been placed during the week at Tls. 72 1/2 and 70 cash, closing with sellers at the latter figure. China Sugars are quoted at \$215 from Hongkong. Mining.—Considerable quantities of Weihaiwei Gold Mining Shares have changed hands at \$15. Chinese Engineering and Mining Co.'s shares have been placed at Tls. 9.75 cash and for March delivery, closing strong with buyers at Tls. 9.85. Lands.—Shanghai Lands. There are buyers at Tls. 114. Industrial.—Ewo Cottons. A good business has been done this week commencing at Tls. 55 March, rising to Tls. 56 and 58; shares can be obtained at Tls. 58 at the close. A quotation is reported at Tls. 57 1/2 April, and for July Tls. 60 and 62 have been done. International Cottons. There is a strong demand for International Cottons and no shares are obtainable; we close with buyers at Tls. 54. Laou-Kung-Mows have also been in strong demand, and the rate has risen from Tls. 67 1/2 to Tls. 68 and 70 March, and for June Tls. 72 1/2 is reported. Soy Chees. These have been dealt in during the week at Tls. 265 and 270. Shanghai Gas Co. There are buyers at Tls. 130. Shanghai Ice Co. Shares are wanted at Tls. 22 1/2. China Flour Mills. These have been placed at Tls. 90 for March, and there are buyers at this rate. Langkats have had the usual fluctuations during the week. On the 15th there was a sale at Tls. 225 for cash and Tls. 237 1/2 June, the following day Tls. 235 and 240 were done for March, Tls. 240 April and Tls. 245 June, with a sale on the 17th at Tls. 245 July. This was the highest rate recorded, and a decline then set in. Our rates at closing are Tls. 232 1/2 cash, and for March shares can be obtained at Tls. 235, for June Tls. 240 is offered and for July there are sellers at Tls. 245, which shows a sufficiently unsettled state of the market. Sumatras. There is a transaction reported at Tls. 60. Stores and Hotels.—Hall and Holtz have changed hands at \$25, Astor House Hotels at \$28, and there are shares offering at this price. Centrals, New Issue, have been dealt in at \$7 1/2. Miscellaneous.—Telephones at Tls. 58. Loans and debentures.—Municipal 6 per cent. Debentures have been dealt in at Tls. 97 1/2; a small lot of Shanghai Lands 5 1/2 per cent. have been placed at Tls. 88.

EXCHANGE.

ON LONDON.—	MONDAY, 5th March.
Telegraphic Transfer	2/0 1/2
Bank Bills, on demand	2/0 1/2
Bank Bills, at 30 days' sight	2/0 1/2
ON LONDON.—	
Bank Bills, at 4 months' sight	2/0 1/2
Credits, at 4 months' sight	2/0 1/2
Documentary Bills, 4 months' sight	2/1 1/2
ON PARIS.—Bank Bills, on demand	256 1/2
Credits 4 months' sight	260 1/2
ON GERMANY.—On demand	209
ON NEW YORK.—Bank Bills, on demand	49 1/2
Credits, 60 days' sight	50 1/2
ON BOMBAY.—Telegraphic Transfer	152 1/2
Bank, on demand	152 1/2
ON CALCUTTA.—Telegraphic Transfer	152 1/2
Bank, on demand	152 1/2
ON HANGHAI.—Bank, at sight	7 1/2
Private, 30 days' sight	7 1/2
ON YOKOHAMA.—On demand	99 1/2
ON MANILA.—On demand	99 1/2
ON SINGAPORE.—On demand	15 1/2 p.m.
ON BATAVIA.—On demand	122 1/2
ON HAIPHONG.—On demand	3 1/2 p.m.
ON SAIGON.—On demand	3 1/2 p.m.
ON BANGKOK.—On demand	61 1/2
SOVEREIGNS, Bank's Buying Rate	\$9.75
GOLD LEAF, 100 fine, per tael	\$51.70
BAB SILVER, per oz.	30

SHIPPING.

ARRIVALS AND DEPARTURES SINCE LAST MAIL.

February—

ARRIVALS.

22, Oosang, British str., from Calcutta.
 22, Progress, German str., from Moji.
 22, Queda, British str., from Rangoon.
 23, Arratoon Apear, British str., from Calcutta.
 23, Brand, Norwegian str., from Canton.
 23, Delhi, British str., from Shanghai.
 23, Delta, British str., from Bombay.
 23, Kweichow, British str., from Canton.
 23, Paklat, German str., from Bangkok.
 23, St. George, British str., from Yokohama.
 23, Tjimahi, Dutch str., from Macassar.
 33, Yiksang, British str., from Canton.
 24, Daphne, German str., from Vladivostok.
 24, Haitan, British str., from Coast Ports.
 24, Hangsang, British str., from Canton.
 24, Slavonia, German str., from Hamburg.
 24, Tean, British str., from Manila.
 24, Tjiliwong, Dutch str., from Amoy.
 24, Tremont, American str., from Tacoma.
 24, Wisconsin, U.S. battleship, from Manila.
 25, Benlarig, British str., from Shanghai.
 25, C. Diederichsen, Ger. str., from Haiphong.
 25, Changehow, British str., from Saigon.
 25, Den of Mains, British str., from London.
 25, Heliopolis, British str., from Batry.
 25, Jenfeld, German str., from Vladivostok.
 25, Kwanglee, Chinese str., from Shanghai.
 25, Oanfa, British str., from Pacific ports.
 25, Petchaburi, German str., from Bangkok.
 25, Saint Bede, British str., from Shanghai.
 25, Siberia, Amr. str., from San Francisco.
 25, Wosang, British str., from Shanghai.
 26, Hebe, German str., from Canton.
 26, Hailan, French str., from Pakhoi.
 26, Kashing, British str., from Wuhu.
 26, Kutsang, British str., from Calcutta.
 26, Louqsor, French str., from Antwerp.
 26, Recorder, British cable str., from Spore.
 26, Spezia, German str., from Amoy.
 26, Tsinan, British str., from Kuchinotzu.
 26, Yuensang, British str., from Manila.
 27, America Maru, Jap. str., from S. Francisco.
 27, Anghin, German str., from Bangkok.
 27, Borneo, German str., from Sandakan.
 27, Emma Luyken, German str., from Saigon.
 27, Ferndene, British str., from Rangoon.
 27, F. Bismarck, Ger. flagship, from Labuan.
 27, Haimun, British str., from Swatow.
 27, Iris, U.S. transport, from Manila.
 27, Jacob Diederichsen, Ger. str., from Kebao.
 27, Rubi, British str., from Manila.
 27, Sumatra, British str., from Yokohama.
 27, Woolwich, British str., from Yokohama.
 27, Yaddo, British str., from Yokohama.
 27, Zieten, German str., from Yokohama.
 28, Daigi Maru, Japanese str., from Tamsui.
 28, Eastern, British str., from Yokohama.
 28, Glenearn, British str., from London.
 28, Helene, German str., from Swatow.
 28, Huichow, British str., from Shanghai.
 28, Hong Bee, British str., from Straits.
 28, Kaifong, British str., from Iloilo.
 28, Kansu, British str., from Amoy.
 28, Kwongsang, British str., from Shanghai.
 28, Shaohsing, British str., from Shanghai.
 28, Holstein, German str., from Haiphong.
 28, Loongmoon, German str., from Chinkiang.
 28, Socotra, British str., from Antwerp.

March—

1, Agamemnon, British str., from Liverpool.
 1, Alexander, American str., from Manila.
 1, Barry, U.S. torpedo-boat, from Canton.
 1, Den of Kelly, British str., from Liverpool.
 1, Esang, British str., from Chefoo.
 1, Hue, French str., from Kwangchauwan.
 1, Hunan, British str., from Wuhu.
 1, Lisa, Swedish str., from Chinkiang.
 1, Titania, German transport, from Labuan.
 1, Wandsworth, British str., from Barry.
 1, Afghan Prince, British str., from N. York.
 2, Austria, Austrian str., from Shanghai.
 2, Changsha, British str., from Australia.
 2, Haiching, British str., from Swatow.
 2, M. Rickmers, German str., from Bangkok.
 2, Meefoo, Chinese str., from Shanghai.
 2, Ohio, U.S. flagship, from Cavite.
 2, Taming, British str., from Manila.
 3, Amara, British str., from Wuhu.
 3, Apenrade, German str., from Pakhoi.
 3, Elis Rickmers, Ger. str., from Bangkok.
 3, Itaura, British str., from Singapore.
 3, Kampot, French str., from Iloilo.
 3, Waihora, British str., from Singapore.

4, Bayern, German str., from Bremen.
 4, Frithjof, Norwegian str., from Anping.
 4, Haimun, British str., from Swatow.
 4, Hongkong, French str., from Haiphong.
 4, Maidzuru Maru, Japanese str., from Kobe.
 4, Rein, Norwegian str., from Saigon.
 4, Shahjohan, British str., from Saigon.
 4, Tungshing, British str., from Chinkiang.

February— DEPARTURES.

23, Andree Rickmers, Ger. str., for Foochow.
 23, Antenor, British str., for London.
 23, Aaabia, German str., for Kobe.
 23, Bengali, British str., for Yokohama.
 23, Braemar, British str., for Moji.
 23, Derwent, British str., for Saigon.
 23, Diomed, British str., for Shanghai.
 23, Glenstrae, British str., for London.
 23, Helene, German str., for Swatow.
 23, Laertes, British str., for Saigon.
 23, Queda, British str., for Yokohama.
 23, Radnorshire, British str., for Nagasaki.
 23, Waishing, British str., for Canton.
 23, Zaffre, British str., for Manila.
 24, Brand, Norwegian str., for Chinkiang.
 24, Chihli, British str., for Chefoo.
 24, Delhi, British str., for Europe.
 24, Delta, British str., for Shanghai.
 24, Formosa, British str., for Moji.
 24, Haimun, British str., for Swatow.
 24, Hong Moh, British str., for Amoy.
 24, Hupeh, British str., for Chefoo.
 24, Loongsang, British str., for Manila.
 24, Palamotta, British str., for Amoy.
 24, Yawata Maru, Jap. str., for Australia.
 25, Daijin Maru, Japanese str., for Tamsui.
 25, Kweichow, British str., for Chefoo.
 25, Yiksang, British str., for Shanghai.
 26, Andromeda, British cruiser, for practice.
 26, Changehow, British str., for Kobe.
 26, Heliopolis, British str., for Shanghai.
 26, Kwanglee, Chinese str., for Canton.
 26, St. George, British str., for New York.
 26, Slavonia, German str., for Vladivostok.
 26, Wosang, British str., for Canton.
 26, Tjimahi, Dutch str., for Shanghai.
 27, Benlarig, British str., for London.
 27, Cairo, Norwegian str., for Saigon.
 27, C. Diederichsen, Ger. str., for Haiphong.
 27, Chiyeun, Chinese str., for Shanghai.
 27, Chowai, German str., for Hoihow.
 27, Chunsang, British str., for Samarang.
 27, Den of Mains, British str., for Nagasaki.
 27, Haitan, British str., for Coast Ports.
 27, Hangsang, British str., for Shanghai.
 27, Kashing, British str., for Canton.
 27, Louqsor, French str., for Shanghai.
 27, Taiwan, British str., for Bangkok.
 27, Tean, British str., for Manila.
 28, Chowfa, German str., for Bangkok.
 28, Ellerbek, German str., for Tsingtan.
 28, Ferndene, British str., for Kobe.
 28, Haimun, British str., for Swatow.
 28, Mausang, British str., for Sandakan.
 28, Ningpo, British str., for Ningpo.
 28, Oosang, British str., for Calcutta.
 28, St. Bede, British str., for London.
 28, Spezia, German str., for Hamburg.
 28, Sumatra, British str., for London.
 28, Tjiliwong, Dutch str., for Macassar.
 28, Tremont, American str., for Tacoma.
 28, Tsinan, British str., for Australia.
 28, Zieten, German str., for Europe.

March—

1, Arratoon Apear, British str., for Calcutta.
 1, Clara Jensen, German str., for Saigon.
 1, Fri, Norwegian str., for Chefoo.
 1, Hailan, French str., for Hoihow.
 1, Helene, German str., for Hoihow.
 1, Hinsang, British str., for Swatow.
 1, Huichow, British str., for Canton.
 1, Kiyei Maru, Japanese str., for Moji.
 1, Kwongsang, British str., for Canton.
 1, Lisa, Swedish str., for Canton.
 1, Loongmoon, German str., for Canton.
 1, Oanfa, British str., for Macassar.
 1, Paklat, German str., for Swatow.
 1, Shaohsing, British str., for Canton.
 1, Yaddo, British str., for New York.
 1, Yuensang, British str., for Manila.
 2, Den of Kelly, British str., for Shanghai.
 2, Hong Bee, British str., for Amoy.
 2, Hue, French str., for Kwangchauwan.
 2, Hunan, British str., for Canton.
 2, Siberia, American str., for San Francisco.
 2, Wandsworth, British str., for Yokohama.
 2, Wosang, British str., for Tientsin.
 3, Agamemnon, British str., for Shanghai.
 3, Eastern, British str., for Australia.

3, Emma Luyken, German str., for Saigon.
 3, Glenearn, British str., for Shanghai.
 3, Haiching, British str., for Swatow.
 3, Haimun, British str., for Swatow.
 3, J. Diederichsen, German str., for Hoihow.
 3, Kwanglee, Chinese str., for Shanghai.
 3, Meefoo, Chinese str., for Canton.
 3, Petchaburi, German str., for Amoy.
 3, Rubi, British str., for Manila.
 3, Shantung, British str., for Hongay.
 3, Socotra, British str., for Shanghai.
 3, Vincent, British str., for Newcastle.
 3, Wosang, British str., for Swatow.
 4, Afghan Prince, British str., for Shanghai.
 4, Anghin, German str., for Trieste.
 4, Austria, Austrian str., for Trieste.
 4, Daigi Maru, Japanese str., for Swatow.
 4, Machew, German str., for Bangkok.
 4, Waishing, British str., for Shanghai.

PASSENGER LIST.

ARRIVED.

Per *Delta*, for Hongkong from London, &c.
 Mr. G. Lalje, Miss A. A. Abbott, Messrs. Paul Verhamp, G. E. Morrell, Lovitt, Quarter Master Sgt. Spanner, Mr. Hooper, Mrs. Whitin, Lord Dynevor, Mr. E. Bird, Hon. Walter Rice, Mr. A. J. Wilson, Mrs. B. H. Wilson, Miss Wilson, Miss F. Wilson, Messrs. T. C. Parkin, G. Reval, H. N. Jolliffe, Lieuts. E. G. Davidson, W. L. Bambar, A. W. Lewis, Mr. W. A. Craig, Lieut. W. C. Sanders, Capt. and Mrs. Kitson, Messrs. J. Donovan, R. N., J. W. Funnell, R. N., R. H. Donald, Lieut. T. H. Stainton, Engr.-Comdr. Kerswell, Surgeon Whitman, Lieuts. F. A. Rayne, W. T. F. Wilson, Mr. C. Mount-Haes, Mr. and Mrs. Moss, Messrs. J. F. Plummer, W. B. Cunningham, G. P. Paton, Mr. and Mrs. J. Hastings, Mr. D. B. Clark, Miss Oakley, Mrs. Wood, Mr. F. Smyth, Misses Coward and Gore, Mr. and Mrs. Noel Phillips, Mr. Mikkers, Dr. and Mrs. Frankel, Messrs. Flett, Schultz, P. E. Stinton, W. Peairs, Mr. and Mrs. Helbert, Capt. Grover, Mrs. Schneider, Messrs. Bandman and Morrison, Misses Forsyth and Baker, Messrs. Rees and Brunetti, Mr. and Mrs. Major, Misses French, Hayden, Caird, Quest, Messrs. R. Wheel, Smith, Bock, Misses Karkeek, Vincent, Probyn, Guillet, M. Leslie, Mrs. Stevens, Miss Nichol, Messrs. Lopes, Trimmingham, Hackett, Attwell, D. Percival, H. Vincent, Hayden, Miss A. Hill, Miss Pemberton, Mr. and Mrs. Lester, Messrs. H. Cole, D. Munro, W. Smith and Earl and Countess of Leitrim. In transit—Messrs. Chion, R. H. Eckford, Beck, Gutt, Peterson, Miss J. Hagstrom, Mr. H. Chaplin, Colonel O'Sullivan, Mr. Nelson, Rev. Planson, Mr. H. D. Law, Prof. Yamada, Mr. Mrs. and Miss Macknight, Colonel and Mrs. Shuttleworth, Mr. Morrison, and Mrs. Blair.

Per *Delhi*, from Shanghai for Hongkong, Messrs. Le Jonkhur Citters, R. Truman, T. R. Southern, F. W. Newman, Mr. and Mrs. Banier, for Singapore, Mr. N. Olssen; for Marseilles, Mr. L. P. Solomon, Miss L. Harris, and Mr. F. McCormick; for London, Mr. and Mrs. C. Hill and 2 children, P. H. Osgood, Messrs. C. H. Read, H. Dyson and E. Holbam Williams; from Yokohama for London, Mrs. Weatherall and Mr. H. D. Angus; from Kobe for Bombay, Mr. S. R. Bomoujee; for London, Mr., Mrs. and Miss G. Evans.

Per *America Maru*, from San Francisco, &c., Mr. and Mrs. R. C. McGregor, Master Leslie McGregor, Miss Celeste Easton, Mr. Wilfrid Turnbull, Mrs. W. H. Avery, Mr. Charles A. Neff, Capt. Broach, and Mr. C. W. Frankel.

DEPARTED.

Per *Delhi*, from Hongkong for Singapore, Rev. C. Bone, Rev. W. L. Scoles, Mrs. E. Monroe, Mr. P. C. Murray, Mrs. K. A. Stevens and infant; for Colombo, Miss Bulteel, Miss Constable; for Sydney, Mr. C. Klineck; for London, Messrs. J. C. Bruce, F. W. W. Valpy, Mrs. Grant and Mr. S. T. W. Clark.

Per *Yawata Maru*, for Australia, Messrs. W. S. Jackson, John S. Leech, Mrs. H. D. Graham, Messrs. Hugo Roseburg, W. Cameron, Douglas Graham, Jas. D. Graham, Wm. Davidson, Miss A. E. Ferguson, Miss A. P. Ferguson, Messrs. F. W. Newman, J. H. Witchell, S. Nakazawa, and W. F. Cullen.

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